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Europe

ADDRESS BY THE PRESIDENT AT CHARLOTTESVILLE, VIRGINIA¹

[Released to the press by the White House June 10]

PRESIDENT NEWCOMB, MY FRIENDS OF THE UNIVERSITY OF VIRGINIA:

I notice by the program that I am asked to address the classes of 1940. I avail myself of that privilege, but I also take this very apt occasion to speak to many other classes, classes that have graduated through all the years, classes that are still in the period of study, classes not alone of the schools of learning of the Nation but classes that have come up through the great schools of experience; in other words a cross section, a cross section just as you who graduate today are a cross section of the Nation as a whole.

Every generation of young men and women in America has questions to ask the world. Most of the time they are the simple but nevertheless difficult questions, questions of work to do, opportunities to find, ambitions to satisfy.

But every now and again in the history of the Republic a different kind of question presents itself—a question that asks, not about the future of an individual or even of a generation, but about the future of the country, the future of the American people.

There was such a time at the beginning of our history—at the beginning of our history as a nation. Young people asked themselves in those days what lay ahead, not for themselves, but for the new United States.

There was such a time again in the seemingly endless years of the War between the States. Young men and young women on both sides of the line asked themselves, not what trades or professions they would enter, what lives they would make, but what was to become of the country they had known.

There is such a time again today. Again today the young men and the young women of America ask themselves with earnestness and with deep concern this same question: "What is to become of the country we know?"

Now they ask it with even greater anxiety than before. They ask, not only what the future holds for this Republic, but what the future holds for all peoples and all nations that have been living under democratic forms of government—under the free institutions of a free people.

It is understandable to all of us, I think, that they should ask this question. They read the words of those who are telling them that the ideal of individual liberty, the ideal of free franchise, the ideal of peace through justice is a decadent ideal. They read the word and hear the boast of those who say that a belief in force—force directed by self-chosen leaders—is the new and vigorous system which will overrun the earth. They have seen the ascendancy of this philosophy of force in nation after nation where free institutions and individual liberties were once maintained.

It is natural and understandable that the younger generation should first ask itself what the extension of the philosophy of force to all the world would lead to ultimately. We see

¹Delivered at the graduation exercises of the University of Virginia, Charlottesville, Va., June 10, 1940, and broadcast on a nationwide network.

today, for example, in stark reality some of the consequences of what we call the machine age.

Where control of machines has been retained in the hands of mankind as a whole, untold benefits have accrued to mankind. For mankind was then the master; and the machine was the servant.

But, in this new system of force the mastery of the machine is not in the hands of mankind. It is in the control of infinitely small groups of individuals who rule without a single one of the democratic sanctions that we have known. The machine in hands of irresponsible conquerors becomes the master; mankind is not only the servant; it is the victim too. Such mastery abandons with deliberate contempt all of the moral values to which even this young country for more than 300 years has been accustomed and dedicated.

Surely the new philosophy proves from month to month that it could have no possible conception of the way of life or the way of thought of a nation whose origins go back to Jamestown and Plymouth Rock.

And conversely, neither those who spring from that ancient stock nor those who have come hither in later years can be indifferent to the destruction of freedom in their ancestral lands across the sea.

Perception of danger, danger to our institutions, may come slowly or it may come with a rush and a shock as it has to the people of the United States in the past few months. This perception of danger, danger in a world-wide area—it has come to us clearly and overwhelmingly—we perceive the peril in a world-wide arena, an arena that may become so narrowed that only the Americas will retain the ancient faiths.

Some indeed still hold to the now somewhat obvious delusion that we of the United States can safely permit the United States to become a lone island, a lone island in a world dominated by the philosophy of force.

Such an island may be the dream of those who still talk and vote as isolationists. Such an island represents to me and to the over-

whelming majority of Americans today a helpless nightmare, the helpless nightmare of a people without freedom; yes, the nightmare of a people lodged in prison, handcuffed, hungry, and fed through the bars from day to day by the contemptuous, unpitying masters of other continents.

It is natural also that we should ask ourselves how now we can prevent the building of that prison and the placing of ourselves in the midst of it.

Let us not hesitate—all of us—to proclaim certain truths. Overwhelmingly we, as a Nation—and this applies to all the other American nations—are convinced that military and naval victory for the gods of force and hate would endanger the institutions of democracy in the western world, and that equally, therefore, the whole of our sympathies lies with those nations that are giving their life blood in combat against these forces.

The people and the Government of the United States have seen with the utmost regret and with grave disquiet the decision of the Italian Government to engage in the hostilities now raging in Europe.

More than 3 months ago the Chief of the Italian Government sent me word that because of the determination of Italy to limit, so far as might be possible, the spread of the European conflict, more than 200 millions of people in the region of the Mediterranean had been enabled to escape the suffering and the devastation of war.

I informed the Chief of the Italian Government that this desire on the part of Italy to prevent the war from spreading met with full sympathy and response on the part of the Government and the people of the United States, and I expressed the earnest hope of this Government and of this people that this policy on the part of Italy might be continued. I made it clear that in the opinion of the Government of the United States any extension of hostilities in the region of the Mediterranean might result in a still greater enlargement of the scene of the conflict, the conflict in the Near East and in Africa, and that if this came to pass no one

could foretell how much greater the theater of the war eventually might become.

Again on a subsequent occasion, not so long ago, recognizing that certain aspirations of Italy might form the basis of discussions between the powers most specifically concerned, I offered, in a message addressed to the Chief of the Italian Government, to send to the Governments of France and of Great Britain such specific indications of the desires of Italy to obtain readjustments with regard to her position as the Chief of the Italian Government might desire to transmit through me. While making it clear that the Government of the United States in such an event could not and would not assume responsibility for the nature of the proposals submitted nor for agreements which might thereafter be reached, I proposed that if Italy would refrain from entering the war I would be willing to ask assurances from the other powers concerned that they would faithfully execute any agreement so reached and that Italy's voice in any future peace conference would have the same authority as if Italy had actually taken part in the war, as a belligerent.

Unfortunately, unfortunately to the regret of all of us and to the regret of humanity, the Chief of the Italian Government was unwilling to accept the procedure suggested, and he has made no counterproposal.

This Government directed its efforts to doing what it could to work for the preservation of peace in the Mediterranean area, and it likewise expressed its willingness to endeavor to cooperate with the Government of Italy when the appropriate occasion arose for the creation of a more stable world order, through the reduction of armaments and through the construction of a more liberal international economic system which would assure to all powers equality of opportunity in the world's markets and in the securing of raw materials on equal terms.

I have likewise, of course, felt it necessary in my communications to Signor Mussolini to express the concern of the Government of the United States because of the fact that any extension of the war in the region of the Mediterranean would inevitably result in great preju-

dice to the ways of life and government and to the trade and commerce of all of the American republics.

The Government of Italy has now chosen to preserve what it terms its "freedom of action" and to fulfill what it states are its promises to Germany. In so doing it has manifested disregard for the rights and security of other nations, disregard for the lives of the peoples of those nations which are directly threatened by this spread of the war; and has evidenced its unwillingness to find the means through pacific negotiations for the satisfaction of what it believes are its legitimate aspirations.

On this tenth day of June 1940, the hand that held the dagger has struck it into the back of its neighbor.

On this tenth day of June 1940, in this University founded by the first great American teacher of democracy, we send forth our prayers and our hopes to those beyond the seas who are maintaining with magnificent valor their battle for freedom.

In our, in our unity, in our American unity, we will pursue two obvious and simultaneous courses; we will extend to the opponents of force the material resources of this Nation and, at the same time, we will harness and speed up the use of those resources in order that we ourselves in the Americas may have equipment and training equal to the task of any emergency and every defense.

All roads leading to the accomplishment of these objectives must be kept clear of obstructions. We will not slow down or detour. Signs and signals call for speed—full speed ahead.

Yes, it is right that each new generation should ask questions. But in recent months the principal question has been somewhat simplified. Once more the future of the Nation, the future of the American people is at stake.

We need not and we will not, in any way, abandon our continuing effort to make democracy work within our borders. Yes, we still insist on the need for vast improvements in our own social and economic life.

But that, that is a component part of national defense itself.

The program unfolds swiftly, and into that

program will fit the responsibility and the opportunity of every man and woman in the land to preserve his and her heritage in days of peril.

I call for effort, courage, sacrifice, devotion.

Granting the love of freedom, all of these are possible.

And—and the love of freedom is still fierce, still steady in the Nation today.

♦ ♦ ♦ ♦ ♦

MESSAGE OF JUNE 10 FROM PREMIER REYNAUD OF FRANCE TO PRESIDENT ROOSEVELT

[Released to the press by the White House June 13]

PARIS, June 10, 1940—6 p. m.

[Received 10:13 p. m.]

SECRETARY OF STATE,
Washington.

RUSH

PERSONAL FOR THE PRESIDENT

I have just received from Paul Reynaud, President of the Council of Ministers, the following message to you. He telephoned to me and asked me to transmit it immediately since his own code clerks could not possibly do the work. This is the full text of the message referred to in my telegram earlier today.

"MR. PRESIDENT: I wish first to express to you my gratitude for the generous aid that you have decided to give us in aviation and armament.

"For six days and six nights our divisions have been fighting without one hour of rest against an army which has a crushing superiority in numbers and material. Today the enemy is almost at the gates of Paris.

"We shall fight in front of Paris; we shall fight behind Paris; we shall close ourselves in one of our provinces to fight and if we should be driven out of it we shall establish ourselves in North Africa to continue the fight and if necessary in our American possessions.

"A portion of the government has already left Paris. I am making ready to leave for the front. That will be to intensify the struggle with all the forces which we still have and not to abandon the struggle.

"May I ask you, Mr. President, to explain all this yourself to your people to all the citizens

of the United States saying to them that we are determined to sacrifice ourselves in the struggle that we are carrying on for all free men.

"This very hour another dictatorship has stabbed France in the back. Another frontier is threatened. A naval war will begin.

"You have replied generously to the appeal which I made to you a few days ago across the Atlantic. Today this 10th of June 1940 it is my duty to ask you for new and even larger assistance.

"At the same time that you explain this situation to the men and women of America, I beseech you to declare publicly that the United States will give the Allies aid and material support by all means 'short of an expeditionary force'. I beseech you to do this before it is too late. I know the gravity of such a gesture. Its very gravity demands that it should not be made too late.

"You said to us yourself on the 5th of October 1937: 'I am compelled and you are compelled to look ahead. The peace, the freedom and the security of 90% of the population of the world is being jeopardized by the remaining 10% who are threatening a breakdown of all international order and law.

"Surely the 90% who want to live in peace under law and in accordance with moral standards that have received almost trusty acceptance through the centuries, can and must find some way to make their will prevail.'

"The hour has now come for these. Paul Reynaud."

BULLITT

REPLY OF PRESIDENT ROOSEVELT TO THE MESSAGE OF JUNE 14 OF PREMIER REYNAUD OF FRANCE

[Released to the press by the White House June 15]

President Roosevelt has sent the following cablegram to the Premier of France:

"I am sending you this reply to your message of yesterday which I am sure you will realize has received the most earnest, as well as the most friendly, study on our part.

"First of all, let me reiterate the ever-increasing admiration with which the American people and their Government are viewing the resplendent courage with which the French armies are resisting the invaders on French soil.

"I wish also to reiterate in the most emphatic terms that, making every possible effort under present conditions, the Government of the United States has made it possible for the Allied armies to obtain during the weeks that have just passed airplanes, artillery and munitions of many kinds and that this Government so long as the Allied governments continue to resist will redouble its efforts in this direction. I believe it is possible to say that every week

that goes by will see additional materiel on its way to the Allied nations.

"In accordance with its policy not to recognize the results of conquest of territory acquired through military aggression, the Government of the United States will not consider as valid any attempts to infringe by force the independence and territorial integrity of France.

"In these hours which are so heart-rending for the French people and yourself, I send you the assurances of my utmost sympathy and I can further assure you that so long as the French people continue in defense of their liberty which constitutes the cause of popular institutions throughout the world, so long will they rest assured that materiel and supplies will be sent to them from the United States in ever-increasing quantities and kinds.

"I know that you will understand that these statements carry with them no implication of military commitments. Only the Congress can make such commitments."

PROCLAMATIONS AND REGULATIONS CONCERNING NEUTRALITY OF THE UNITED STATES IN THE WAR BETWEEN ITALY AND FRANCE AND THE UNITED KINGDOM

[Released to the press June 10]

PROCLAMATION OF A STATE OF WAR BETWEEN
ITALY, ON THE ONE HAND, AND FRANCE AND
THE UNITED KINGDOM, ON THE OTHER HAND

BY THE PRESIDENT OF THE UNITED STATES OF
AMERICA

A Proclamation

WHEREAS section 1 of the joint resolution of Congress approved November 4, 1939, provides in part as follows:

"That whenever the President, or the Congress by concurrent resolution, shall find that there exists a state of war between foreign states,

and that it is necessary to promote the security or preserve the peace of the United States or to protect the lives of citizens of the United States, the President shall issue a proclamation naming the states involved; and he shall, from time to time, by proclamation, name other states as and when they may become involved in the war."

AND WHEREAS it is further provided by section 13 of the said joint resolution that

"The President may, from time to time, promulgate such rules and regulations, not inconsistent with law as may be necessary and proper to carry out any of the provisions of this joint resolution; and he may exercise any power or

authority conferred on him by this joint resolution through such officer or officers, or agency or agencies, as he shall direct."

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, acting under and by virtue of the authority conferred on me by the said joint resolution, do hereby proclaim that a state of war unhappily exists between Italy, on the one hand, and France and the United Kingdom, on the other hand, and that it is necessary to promote the security and preserve the peace of the United States and to protect the lives of citizens of the United States.

AND I do hereby enjoin upon all officers of the United States, charged with the execution of the laws thereof, the utmost diligence in preventing violations of the said joint resolution and in bringing to trial and punishment any offenders against the same.

AND I do hereby delegate to the Secretary of State the power to exercise any power or authority conferred on me by the said joint resolution, as made effective by this my proclamation issued thereunder, which is not specifically delegated by Executive order to some other officer or agency of this Government, and the power to promulgate such rules and regulations not inconsistent with law as may be necessary and proper to carry out any of its provisions.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the city of Washington this tenth day of June, in the year of our Lord nineteen hundred and forty, and of the Independence of the United States of America the one hundred and sixty-fourth.

FRANKLIN D. ROOSEVELT
10.20 p. m., E. S. T.

By the President:
CORDELL HULL
Secretary of State.
[No. 2407]

[Released to the press June 10]

PROCLAIMING THE NEUTRALITY OF THE UNITED STATES IN THE WAR BETWEEN ITALY, ON THE ONE HAND, AND FRANCE AND THE UNITED KINGDOM, ON THE OTHER HAND

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A Proclamation

WHEREAS a state of war unhappily exists between Italy, on the one hand, and France and the United Kingdom, on the other hand;

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, in order to preserve the neutrality of the United States and of its citizens and of persons within its territory and jurisdiction, and to enforce its laws and treaties, and in order that all persons, being warned of the general tenor of the laws and treaties of the United States in this behalf, and of the law of nations, may thus be prevented from any violation of the same, do hereby declare and proclaim that all of the provisions of my proclamation of September 5, 1939, proclaiming the neutrality of the United States in a war between Germany and France; Poland; and the United Kingdom, India, Australia and New Zealand apply equally in respect to Italy.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this tenth day of June, in the year of our Lord nineteen hundred and forty, and of the Independence of the United States of America the one hundred and sixty-fourth.

FRANKLIN D. ROOSEVELT
10.20 p. m., E. S. T.

By the President:
CORDELL HULL
Secretary of State.
[No. 2408]

JUNE 15, 1940

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[Released to the press June 10]

USE OF PORTS OR TERRITORIAL WATERS OF THE
UNITED STATES BY SUBMARINES OF FOREIGN
BELLIGERENT STATES

BY THE PRESIDENT OF THE UNITED STATES OF
AMERICA

A Proclamation

WHEREAS section 11 of the joint resolution approved November 4, 1939, provides:

"Whenever, during any war in which the United States is neutral, the President shall find that special restrictions placed on the use of the ports and territorial waters of the United States by the submarines or armed merchant vessels of a foreign state, will serve to maintain peace between the United States and foreign states, or to protect the commercial interests of the United States and its citizens, or to promote the security of the United States, and shall make proclamation thereof, it shall thereafter be unlawful for any such submarine or armed merchant vessel to enter a port or the territorial waters of the United States or to depart therefrom, except under such conditions and subject to such limitations as the President may prescribe. Whenever, in his judgment, the conditions which have caused him to issue his proclamation have ceased to exist, he shall revoke his proclamation and the provisions of this section shall thereupon cease to apply, except as to offenses committed prior to such revocation."

WHEREAS there exists a state of war between Italy, on the one hand, and France and the United Kingdom, on the other hand;

WHEREAS the United States of America is neutral in such war;

WHEREAS by my proclamation of November 4, 1939, issued pursuant to the provision of law quoted above, I placed special restrictions on the use of ports and territorial waters of the United States by the submarines of France; Germany; Poland; and the United Kingdom, India, Australia, Canada, New Zealand, and the Union of South Africa;

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America,

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acting under and by virtue of the authority vested in me by the foregoing provision of section 11 of the joint resolution approved November 4, 1939, do by this proclamation declare and proclaim that the provisions of my proclamation of November 4, 1939, in regard to the use of the ports and territorial waters of the United States, exclusive of the Canal Zone, by the submarines of France; Germany; Poland; and the United Kingdom, India, Australia, Canada, New Zealand, and the Union of South Africa, shall also apply to the use of the ports and territorial waters of the United States, exclusive of the Canal Zone, by the submarines of Italy.

AND I do hereby enjoin upon all officers of the United States, charged with the execution of the laws thereof, the utmost diligence in preventing violations of the said joint resolution, and this my proclamation issued thereunder, and in bringing to trial and punishment any offenders against the same.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this tenth day of June, in the year of our Lord nineteen hundred and forty, and of the Independence of the United States of America the one hundred and sixty-fourth.

FRANKLIN D. ROOSEVELT

10.20 p. m., E. S. T.

By the President:

CORDELL HULL

Secretary of State.

[No. 2409]

[Released to the press June 11]

DEFINITION OF A COMBAT AREA

BY THE PRESIDENT OF THE UNITED STATES OF
AMERICA

A Proclamation

WHEREAS section 3 of the joint resolution of Congress approved November 4, 1939, provides as follows:

"(a) Whenever the President shall have issued a proclamation under the authority of section 1 (a), and he shall thereafter find that the protection of citizens of the United States so requires, he shall, by proclamation, define combat areas, and thereafter it shall be unlawful, except under such rules and regulations as may be prescribed, for any citizen of the United States or any American vessel to proceed into or through any such combat area. The combat areas so defined may be made to apply to surface vessels or aircraft, or both.

"(b) In case of the violation of any of the provisions of this section by any American vessel, or any owner or officer thereof, such vessel, owner, or officer shall be fined not more than \$50,000 or imprisoned for not more than five years, or both. Should the owner of such vessel be a corporation, organization, or association, each officer or director participating in the violation shall be liable to the penalty hereinabove prescribed. In case of the violation of this section by any citizen traveling as a passenger, such passenger may be fined not more than \$10,000 or imprisoned for not more than two years, or both.

"(c) The President may from time to time modify or extend any proclamation issued under the authority of this section, and when the conditions which shall have caused him to issue any such proclamation shall have ceased to exist he shall revoke such proclamation and the provisions of this section shall thereupon cease to apply, except as to offenses committed prior to such revocation."

AND WHEREAS it is further provided by section 13 of the said joint resolution that

"The President may, from time to time, promulgate such rules and regulations, not inconsistent with law as may be necessary and proper to carry out any of the provisions of this joint resolution; and he may exercise any power or authority conferred on him by this joint resolution through such officer or officers, or agency or agencies, as he shall direct."

AND WHEREAS on April 10, 1940, I issued a proclamation in accordance with the provision of law quoted above defining a combat area.

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, acting under and by virtue of the authority conferred on me by section 3 of the joint resolution of Congress approved November 4, 1939, do hereby find that the protection of citizens of the United States requires that there be defined combat areas in addition to the combat area defined in my proclamation of April 10, 1940, through or into which additional combat areas it shall be unlawful, except under such rules and regulations as may be prescribed, for any citizen of the United States or any American vessel, whether a surface vessel or an aircraft, to proceed.

AND I do hereby define the additional combat areas as follows:

All the navigable waters within the limits set forth hereafter:

1. Beginning at the intersection of the West Coast of Morocco with the parallel of 33°10' north latitude;

Thence due west to 20° west longitude;

Thence due north to 37°05' north latitude;

Thence due east to the mainland of Portugal;

Thence along the coastline of Portugal, Spain, Gibraltar, Spain, France, Italy, Yugoslavia, Albania, and Greece to the intersection of the East Coast of Greece with the parallel of 39°40' north latitude;

Thence due east to the mainland of Turkey;

Thence along the coastline of Turkey, Syria, Palestine, Egypt, Libya, Tunisia, Algeria, and Morocco to the point of beginning.

All the navigable waters within the limits set forth hereafter:

2. Beginning at the intersection of the North Coast of Italian Somaliland with the meridian of 50° longitude east of Greenwich;

Thence due north to the mainland of Arabia;

Thence eastward along the coast of Arabia to the meridian of 51° east longitude;

Thence due south to the mainland of Italian Somaliland;

Thence westward along the coast of Italian Somaliland to the point of beginning.

AND I do hereby enjoin upon all officers of the United States, charged with the execution

of the laws thereof, the utmost diligence in preventing violations of the said joint resolution and in bringing to trial and punishment any offenders against the same.

AND I do hereby delegate to the Secretary of State the power to exercise any power or authority conferred on me by the said joint resolution as made effective by this my proclamation issued thereunder, which is not specifically delegated by Executive order to some other officer or agency of this Government, and the power to promulgate such rules and regulations not inconsistent with law as may be necessary and proper to carry out any of its provisions.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this eleventh day of June, in the year of our Lord nineteen hundred and forty, and of the Independence of the United States of America the one hundred and sixty-fourth.

FRANKLIN D. ROOSEVELT

June 11, 1940, 5:20 p. m. E. S. T.

By the President:

CORDELL HULL,

Secretary of State.

[No. 2410]

[Released to the press June 10]

EXECUTIVE ORDER

Prescribing Regulations Governing the Enforcement of the Neutrality of the United States

WHEREAS, under the treaties of the United States and the law of nations it is the duty of the United States, in any war in which the United States is a neutral, not to permit the commission of unneutral acts within the jurisdiction of the United States;

AND WHEREAS, a proclamation was issued by me on the tenth day of June declaring the neutrality of the United States of America in the

war now existing between Italy, on the one hand, and France and the United Kingdom, on the other hand:

Now, THEREFORE, in order to make more effective the enforcement of the provisions of said treaties, law of nations, and proclamation, I hereby prescribe that the provisions of my Executive Order No. 8233 of September 5, 1939, prescribing regulations governing the enforcement of the neutrality of the United States, apply equally in respect to Italy.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

June 10, 1940.

[No. 8433]

The following regulations have been codified under Title 22: Foreign Relations; Chapter I: Department of State; and Subchapter A: The Department, in accordance with the requirements of the *Federal Register* and the *Code of Federal Regulations*:

PART 12—COMMERCE WITH STATES ENGAGED IN ARMED CONFLICT

§ 12.1 *Exportation or transportation of articles or materials—(h) Italy.* The regulations under section 2 (c) and (i) of the joint resolution of Congress approved November 4, 1939, which the Secretary of State promulgated on November 10 (22 CFR 12.1 (a)–(d))² and November 25 (22 CFR 12.1 (e)),³ 1939, henceforth apply equally in respect to the export or transport of articles and materials to Italy. (Secs. 2 (c), (i), Public Res. 54, 76th Cong., 2d sess., approved Nov. 4, 1939; Proc. No. 2407, June 10, 1940)

CORDELL HULL,

Secretary of State.

JUNE 10, 1940.

² Regulations (1)–(4) in "Regulations under section 2 (c) and (i) of the joint resolution of Congress approved November 4, 1939," which were published in the *Federal Register* of November 16, 1939 (4 F.R. 4598), have been designated as 22 CFR 12.1 (a)–(d).

³ Regulation (5) (4 F.R. 4701) has been designated as 22 CFR 12.1 (e).

PART 40—SOLICITATION AND COLLECTION OF CONTRIBUTIONS FOR USE IN CERTAIN COUNTRIES

§ 40.19 *Contributions for use in Italy.* The rules and regulations (22 CFR 40.1-16) under section 8 of the joint resolution of Congress approved November 4, 1939, which the Secretary of State promulgated on November 6, 1939,⁴ henceforth apply equally to the solicitation and collection of contributions for use in Italy. (Sec. 8, Public Res. 54, 76th Cong., 2d sess., approved Nov. 4, 1939; Proc. No. 2407, June 10, 1940)

CORDELL HULL,
Secretary of State.

JUNE 10, 1940.

PART 55C—TRAVEL

Pursuant to the provisions of section 5 of the joint resolution of Congress, approved November 4, 1939, and of the President's proclamation of April 10, 1940, the regulations in 22 CFR 55C.1 and 55C.2 of November 6, 1939,⁵ as amended November 17, 1939,⁶ April 25, 1940,⁷ and May 11, 1940,⁸ are hereby amended to read as follows:

§ 55C.1 *American diplomatic, consular, military, and naval officers.* American diplomatic and consular officers and their families, members of their staffs and their families, and American military and naval officers and personnel and their families may travel pursuant to orders on vessels of France; Germany; Poland; or the United Kingdom, India, Australia, Canada, New Zealand, the Union of South Africa; Norway; Belgium; the Netherlands; and Italy, if the public service requires. (Sec. 5, Public Res. 54, 76th Cong., 2d sess., approved Nov. 4, 1939; Proc. No. 2407, June 10, 1940)

⁴ 4 F.R. 4510.

⁵ 4 F.R. 4509.

⁶ 4 F.R. 4640.

⁷ 5 F.R. 1597.

⁸ 5 F.R. 1695.

§ 55C.2 *Other American citizens.* Other American citizens may travel on vessels of France; Germany; Poland; or the United Kingdom, India, Australia, Canada, New Zealand, the Union of South Africa; Norway; Belgium; the Netherlands; and Italy: *Provided, however,* That travel on or over the north Atlantic Ocean, north of 35 degrees north latitude and east of 66 degrees west longitude or on or over other waters adjacent to Europe or over the continent of Europe or adjacent islands shall not be permitted except when specifically authorized by the Passport Division of the Department of State or an American diplomatic or consular officer abroad in each case. (Sec. 5, Public Res. 54, 76th Cong., 2d sess., approved Nov. 4, 1939; Proc. No. 2407, June 10, 1940)

CORDELL HULL,
Secretary of State.

JUNE 10, 1940.

PART 55C—TRAVEL

§ 55C.6 *Application of §§ 55C.3 (a) and 55C.4 (a)-(c) to combat areas defined in President's proclamation of June 11, 1940.* The regulations under section 3 of the joint resolution of Congress approved November 4, 1939, which the Secretary of State promulgated on November 6⁹ and November 17,¹⁰ 1939, henceforth apply equally in respect to travel into or through the additional combat areas defined in the President's proclamation of June 11, 1940: *Provided however,* That the exceptions authorized by § 55C.4 (a)⁹ shall apply only to American vessels which, on the date of the issuance of the regulations in this section, are within one of these additional combat areas, or in the Aegean Sea north of 39°40' north latitude, the

⁹ These regulations, which appeared as paragraphs (1)-(4) in "Regulations under section 3 of the joint resolution of Congress approved November 4, 1939" (4 F. R. 4510), have been codified under Title 22 as follows: Paragraph (1) has been designated as § 55C.3 (a) and paragraphs (2)-(4) have been designated as § 55C.4 (a)-(c), respectively.

¹⁰ § 55C.3 (b)-(f) (1)-(4). (4 F. R. 4641)

JUNE 15, 1940

Black Sea, or waters connecting the two, or in the Red Sea or the Gulf of Aden west of 50° east longitude, and shall permit such vessels to proceed through those areas and waters only in accordance with directions issued to their operators by the United States Maritime Commis-

sion. (Sec. 3, Public Res. 54, 76th Cong., 2d sess., approved Nov. 4, 1939; Proc. No. 2410, June 11, 1940)

CORDELL HULL,
Secretary of State.

JUNE 11, 1940.

♦ ♦ ♦ ♦ ♦

REPATRIATION OF AMERICAN CITIZENS

[Released to the press June 10]

The S. S. *Washington* sailed from Bordeaux the night of June 9 and was due at Lisbon early the morning of June 10. It was scheduled to sail about noon June 10. The United States Lines at Bordeaux reports 453 first-class passengers and 360 third-class passengers, or a total of 813 passengers for the United States. The Lines had allocated for passengers embarking at Lisbon 75 first-class and 50 third-class. The Lines had also allocated space for passengers expected to board in Ireland: 250 first-class and approximately 250 third-class. These allocations do not include space in public rooms which could accommodate 150 cots first-class and 50 cots third-class.

The United States destroyer *Dickerson* sailed from Casablanca, Morocco, on June 9 for Lisbon carrying five American citizens who wished to sail on the S. S. *Washington*.

[Released to the press June 11]

The United States steamship *Washington* sailed from Lisbon at 5 p. m., June 10, with 1,020 passengers and 570 members of the crew. She was bound for Galway, Ireland, on repatriation services, carried no mail or cargo, and traveled without convoy according to notification given by the United States Government to each of the belligerents. The course she sailed had been previously notified to the belligerents. At 5 a. m. the morning of June 11, G. M. T., she was stopped by an unidentified submarine, 12°, 50' west, 42°, 12' north, ordered to abandon ship, and later to proceed on her course. The following messages were exchanged by blinker signal:

Submarine: "Stop ship."
Submarine: "Ease to ship."
Submarine: "Torpedo ship."
Washington: "American ship."
Submarine: "Leave ship."
Washington: "American ship."
Submarine: "10 minutes."
Washington: "Washington, American ship."
Washington, American ship."
Submarine: Was silent. Did not answer.
Washington: "Washington, American ship."
Washington, American ship."
Submarine: "Thought you were another ship. Please go on, go on."

Upon the order to "leave ship," the passengers and crew were ordered to life boats, and some of the boats were actually being lowered when the order came to "please go on." The vessel proceeded on her previously announced course and soon sighted another submarine of unknown identity but was not stopped.

The vessel is in charge of Captain Manning, who communicated by radio telephone with the office of the United States Lines in New York.

The State Department has requested the United States Lines to advise the captain, who will inform the passengers, that all belligerent governments have been informed that the vessel is on its present scheduled voyage and on her present course and operating without convoy. The vessel has been instructed to continue upon the previously announced course to Galway to complete her evacuation schedule.

[Released to the press June 15]

The American steamship *Washington* sailed from Galway, Ireland, for New York shortly

after 7 a. m. the morning of June 15 (Galway time). She embarked 852 American citizens and members of their families at Galway, which, with the 1,020 passengers embarked at Bordeaux and Lisbon and the 570 members of the crew, makes a total of 2,442 persons aboard.

All belligerent governments have been informed that the vessel is returning to the United States with Americans evacuated from Europe. She carries no cargo taken aboard in Europe. She carries American flags prominently displayed, is proceeding fully lighted at night, is unarmed and moving without convoy. The belligerent governments have also been informed the approximate course the vessel will follow and that the Government of the United States expects the vessel to make its return voyage without interruption or molestation by the air, naval, or military forces of any belligerent.

The following regulation has been codified under Title 22: Foreign Relations; Chapter I: Department of State; and Subchapter A: The Department, in accordance with the requirements of the *Federal Register* and the *Code of Federal Regulations*:

PART 55C—TRAVEL

§ 55C.4 *American vessels in combat areas—*
(c) *Vessels authorized to evacuate American citizens and those under direction of American Red Cross—*(3) *The S. S. McKeesport.* The S. S. McKeesport has, by arrangement with the appropriate authorities of the United States Government, been commissioned to proceed into and through the combat area defined by the President in his proclamation numbered 2394, of April 10, 1940,¹² under charter of the American Red Cross and under safe conduct granted by belligerent states named in the President's proclamation of November 4, 1939.

¹² 5 F. R. 1390.

¹³ This regulation, which appeared as paragraph (4) in "Regulations under section 3 of the joint resolution of Congress approved November 4, 1939" (4 F. R. 4510), has been designated as § 55C.4 (c) under Title 22 for codification purposes.

Therefore, in accordance with paragraph (4)¹² of the regulations which the Secretary of State issued on November 6, 1939, and amended on April 10, 1940,¹³ the provisions of the President's proclamation of April 10, 1940 do not apply to the voyage which the S. S. McKeesport has been commissioned to undertake under the aforesaid auspices. (Sec. 3, Public Res. 54, 76th Cong., 2d sess., Nov. 4, 1939; Proc. No. 2394, April 10, 1940)

CORDELL HULL,
Secretary of State.

JUNE 7, 1940.

♦ ♦ ♦

OFFICIAL REPORTS FROM WAR AREAS

[Released to the press June 13]

The American Ambassador to France, Mr. William C. Bullitt, transmitted the following message on the morning of June 13 to the American Embassy in Berlin through the American Legation at Bern, for immediate communication to the German Government:

"Paris has been declared an open city. General Hering, military commander of Paris district, is withdrawing his army which has been defending Paris. All possible measures are being taken to assure the security of life and property in the city. The *gendarmarie* and police are remaining and the firemen also remaining to prevent fires. General Dentz is remaining as commander of the Paris area but without any troops simply with the *gendarmarie* and the police.

"Ambassador Bullitt is remaining in Paris with the Military and Naval Attachés of the Embassy, the Counselor of Embassy and six Secretaries of Embassy as the representative of the diplomatic corps. Mr. Bullitt hopes to be of any assistance possible in seeing to it that the transfer of the Government of the city takes place without loss of human life. This entire communication is made at the personal request of General Dentz."

¹³ 5 F. R. 1401.

Ambassador Bullitt reported to the Department of State June 13 that the following notice to the population of Paris was posted throughout the city the morning of June 13:

"General Hering, called to command an army, places the military governorship in the hands of General Dentz.

"Paris is declared an 'open city' and all measures have been taken to assure, in all circumstances, the security and the revictualment of the inhabitants.

"The general of the Army (Signed Hering)."

The American Chargé at Berlin conveyed Mr. Bullitt's message immediately upon receiving it to the appropriate authorities of the German Government. He was to see the Acting Secretary of Foreign Affairs at 4:15 p. m. (Berlin time), June 13, when he would deliver the entire message in a formal note.

[Released to the press June 10]

The American consul general at Stuttgart, Germany, Mr. Samuel W. Honaker, has reported to the Department of State that Alfred Paul Ritter, an American boy, was killed during a bombing attack at Klingenstein, near Ulm, on June 4. The boy had been residing with his

grandparents at Klingenstein. His mother's address is given as Mrs. Marie Ritter, Collingdale, Pa.

♦ ♦ ♦

AIRPLANE EXPLOSION IN FINLAND

[Released to the press June 15]

The American Minister to Finland, Mr. H. F. Arthur Schoenfeld, reported to the Department of State the night of June 15 that he had been informed that an airplane of the Finnish Aero Company exploded in midair while flying from Tallinn to Helsinki on the afternoon of June 14. The information was supplied to the American Legation by the Helsinki offices of the Finnish Aero Company, which held no hope for the passengers or cargo. Aboard the airplane at the time was Mr. Henry Antheil, clerk of the American Legation. Mr. Antheil had flown as courier from Helsinki to Tallinn on the morning of June 14 and was returning to Helsinki.

Mr. Antheil was born in Trenton, N. J., September 23, 1912, and attended Rutgers College 1931-33. He was assigned as a clerk at the Embassy at Moscow in 1934 and transferred to the Legation at Helsinki in 1939.

♦ ♦ ♦ ♦ ♦

INTERGOVERNMENTAL DEBTS

Statement of Payments Due

[Released to the press June 13]

Statements of amounts due and payable on indebtedness to the Government of the United States have been sent to the diplomatic representatives of 12 of the 13 governments from which payments under debt agreements and moratorium agreements are due on June 15, 1940. In view of the current governmental conditions in Czechoslovakia, no statement of the sums due and payable has been rendered to that country.

PAYMENTS DUE JUNE 15, 1940, AND THE AMOUNTS PREVIOUSLY DUE AND UNPAID

Country	Due June 15, 1940	Previously due and unpaid	Total
Belgium.....	\$9,442,453.88	\$89,269,900.44	\$98,712,354.32
Czechoslovakia.....	1,682,512.78	23,046,651.97	24,729,164.75
Estonia.....	322,850.29	5,728,688.77	6,051,539.06
Finland.....	159,398.00		159,398.00
France.....	102,372,110.82	687,197,254.35	789,569,364.87
Great Britain.....	85,670,768.05	1,411,166,427.23	1,496,840,192.28
Hungary.....	37,410.66	597,370.78	634,781.41
Italy.....	17,941,593.38	122,486,180.68	140,427,774.06
Latvia.....	134,883.26	2,261,261.22	2,396,144.48
Lithuania.....	172,801.93	1,936,495.41	2,109,297.34
Poland.....	4,039,039.71	71,134,306.23	75,173,345.94
Rumania.....	1,386,870.32	12,741,310.85	14,128,181.17
Yugoslavia.....	526,515.63	2,917,578.16	3,444,093.78
Total.....	223,889,505.41	2,430,486,376.05	2,654,375,881.46

Due June 15, 1940:

Principal.....	\$103,133,693.73
Interest.....	105,830,965.69
Moratorium agreements.....	14,924,845.99
Total.....	223,889,505.41

Previously due and unpaid:

Principal.....	\$772,758,966.32
Interest.....	1,463,951,808.36
Moratorium agreements.....	193,775,601.37
Total.....	2,430,486,376.05

The following statement shows the amounts due under the funding and moratorium agreements on June 15, 1940:

PAYMENTS DUE JUNE 15, 1940, ON ACCOUNT OF INDEBTEDNESS OF FOREIGN GOVERNMENTS TO THE UNITED STATES

Country	Funding agreements		Moratorium agreements	Total
	Principal	Interest		
Due June 15, 1940:				
Belgium.....	\$4, 800, 000. 00	\$4, 158, 000. 00	\$484, 453. 88	\$9, 442, 453. 88
Czechoslovakia.....	1, 500, 000. 00		182, 812. 78	1, 682, 812. 78
Estonia.....		286, 265. 00	36, 585. 29	322, 850. 29
Finland.....		140, 367. 50	19, 030. 50	159, 398. 00
France.....	80, 063, 798. 30	19, 261, 432. 50	3, 046, 879. 72	102, 372, 110. 52
Great Britain.....		75, 950, 000. 00	9, 720, 765. 05	85, 670, 765. 05
Hungary.....		33, 185. 08	4, 225. 58	37, 410. 66
Italy.....	15, 800, 000. 00	1, 245, 437. 50	896, 155. 88	17, 941, 593. 38
Latvia.....		119, 609. 00	15, 274. 26	134, 883. 26
Lithuania.....	51, 335. 00	107, 783. 67	13, 683. 26	172, 801. 93
Poland.....		3, 582, 810. 00	456, 229. 71	4, 039, 039. 71
Rumania.....	430, 560. 43	907, 559. 81	48, 750. 08	1, 386, 870. 32
Yugoslavia.....	488, 000. 00	38, 515. 63		526, 515. 63
Total.....	103, 133, 693. 73	105, 830, 965. 69	14, 924, 845. 99	223, 889, 505. 41

France

[Released to the press June 13]

Note from the Secretary of State to the Ambassador of the French Republic (Count de Saint-Quentin):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

EXCELLENCY:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on December 15, 1932 to December 15, 1939, inclusive, and June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of April 29, 1926 and the Moratorium Agreement of June 10, 1932.

In presenting this notice of amounts due under the agreements signed by the French Government, I take the occasion to reiterate that

this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE REPUBLIC OF FRANCE FROM DECEMBER 15, 1932 TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from December 15, 1932 to December 15, 1939, inclusive.....	\$358,666,330.49	\$288,921,487.50	\$39,609,436.36

Amount due June 15, 1940:

Principal of bond No. 15 due June 15, 1940.....	\$80,063,798.30
Semiannual interest due June 15, 1940 on bonds Nos. 15 to 62.....	17,468,100.85
Interest accrued from December 15, 1939 to June 15, 1940, on principal amounts of bonds which matured as follows:	
No. 8 \$21,477,135.00 matured 6/15/33	
No. 9 36,691,906.35 " 6/15/34	
No. 10 42,058,825.41 " 6/15/35	
No. 11 62,479,413.67 " 6/15/36	
No. 12 63,004,207.80 " 6/15/37	
No. 13 68,634,249.88 " 6/15/38	
No. 14 74,320,592.38 " 6/15/39	
358,666,330.49.....	1,793,331.65
Fourteenth semiannual installment of the annuity due June 15, 1940, on account of the moratorium agreement of June 10, 1932.....	3,046,879.72
Amount due.....	\$102,372,110.52

Translation of a note from the Ambassador of the French Republic in reply to the note dated June 1, 1940, from the Secretary of State:

EMBASSY OF THE FRENCH REPUBLIC,
Washington, D. C., June 10, 1940.

I have the honor to acknowledge the receipt of Your Excellency's note, dated June 1, 1940, transmitting a statement of the amounts due by France to the United States on June 15 next, under the terms of the agreements signed by the French Government.

In presenting this statement, you took occasion to reiterate that the Government of the United States is fully disposed to discuss, through diplomatic channels, any proposals which the French Government may desire to put forward in regard to the settlement of this indebtedness and to give them careful consideration with a view to their eventual submission to the American Congress.

The French Government thanks the Government of the United States for having been so kind as to renew these assurances and desires on its part to emphasize again its sincere desire to seek the basis for a debt settlement acceptable to both countries.

As soon as a satisfactory development of the situation will permit, the French Government will not fail to seize the opportunity, which it hopes will be soon, to enter into conversations for the negotiation of an agreement to the conclusion of which, like the Government of the United States, it attaches great importance.

Please accept [etc.] R. DE SAINT-QUENTIN

239207-40-3

Great Britain

[Released to the press June 13]

Note from the Secretary of State to the British Ambassador (the Marquess of Lothian):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

EXCELLENCY:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on June 15, 1933 to December 15, 1939, inclusive, and June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of June 19, 1923 and the Moratorium Agreement of June 4, 1932.

In presenting this notice of amounts due under the agreements signed by the British Government, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF GREAT BRITAIN FROM JUNE 15, 1933 TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from June 15, 1933, to December 15, 1939, inclusive.....	\$239,000,000.00	\$1,045,799,481.58	\$126,369,945.65

Amount due June 15, 1940:

Semiannual interest due June 15, 1940, on 18th to 62nd installments.....	\$71,767,500.00
Interest accrued from December 15, 1939, to June 15, 1940, on principal installments which matured as follows:	
11th—\$32,000,000—12/15/33	
12th— 32,000,000—12/15/34	
13th— 32,000,000—12/15/35	
14th— 32,000,000—12/15/36	
15th— 37,000,000—12/15/37	
16th— 37,000,000—12/15/38	
17th— 37,000,000—12/15/39	
\$239,000,000.....	4,182,500.00
Fourteenth semiannual installment of the annuity due June 15, 1940, on account of the moratorium agreement of June 4, 1932.....	9,720,765.65
Amount due.....	\$85,670,765.65

Note from the British Ambassador in reply to the note dated June 1, 1940, from the Secretary of State:

BRITISH EMBASSY,
Washington, D. C., June 7th, 1940.

SIR,

In accordance with instructions from His Majesty's Principal Secretary of State for Foreign Affairs, I have the honour to acknowledge the receipt of your note of the 1st June enclosing a statement of the amounts due from His Majesty's Government in the United Kingdom under the provisions of the Debt Agreement of the 19th June, 1923, and the Moratorium Agreement of the 4th June, 1932.

I am directed to express the appreciation of His Majesty's Government of the assurance that the Government of the United States is fully disposed to discuss any proposals which His Majesty's Government may desire to put forward in regard to the payment of this indebtedness; and in return I am to assure you that His Majesty's Government will be willing to reopen discussions on the subject whenever circumstances are such as to warrant the hope that a satisfactory result might be reached.

I have [etc.]

LOTHIAN

Italy

[Released to the press June 13]

Note from the Secretary of State to the Royal Italian Ambassador (Don Ascanio dei principi Colonna):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

EXCELLENCY:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on June 15, 1933 to December 15, 1939, inclusive, and June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of November 14, 1925 and the Moratorium Agreement of June 3, 1932.

In presenting this notice of amounts due under the agreements signed by the Royal Italian Government, I take the occasion to reiterate

that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE KINGDOM OF ITALY FROM JUNE 15, 1933 TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from June 15, 1933, to December 15, 1939, inclusive.....	\$95,400,000.00	\$15,436,104.24	\$11,650,026.44

Amount due June 15, 1940:

Principal of bond No. 15 due June 15, 1940.....	\$15,800,000.00
Semiannual interest due June 15, 1940, on bonds Nos. 15 to 62.....	1,185,812.50
Interest accrued from December 15, 1939, to June 15, 1940, on bonds which matured as follows:	
No. 8—\$12,300,000—6/15/33	
No. 9—12,600,000—6/15/34	
No. 10—13,000,000—6/15/35	
No. 11—13,500,000—6/15/36	
No. 12—14,200,000—6/15/37	
No. 13—14,600,000—6/15/38	
No. 14—15,200,000—6/15/39	
\$95,400,000.....	59,625.00
Fourteenth semiannual installment of the annuity due June 15, 1940, on account of the moratorium agreement of June 3, 1932.....	896,155.88
Amount due.....	\$17,941,593.38

Note from the Royal Italian Ambassador in reply to the note dated June 1, 1940, from the Secretary of State:

ROYAL ITALIAN EMBASSY,
Washington, D. C., June 10, 1940.

HONORABLE SIR:

I have the honor to acknowledge the receipt of your note of June 1st, 1940, whereby you have sent me a statement of the amounts due from the Italian Government up to June 15, 1940 under the provisions of the Debt Agreement of November 14, 1925 and the Moratorium Agreement of June 3, 1932.

My Government has taken note with appreciation of the renewed assurance that the United States Government is fully disposed to discuss, through diplomatic channels, any proposals

JUNE 15, 1940

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which the Italian Government may desire to put forward in regard to the payment of its indebtedness and that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

While thanking you for the above communication, my Government regrets to be still unable, at the present moment, to submit any proposals and wishes to refer to the considerations previously brought to the attention of the Federal Government.

Accept [etc.]

A. COLONNA

Yugoslavia

[Released to the press June 13]

Note from the Secretary of State to the Minister of Yugoslavia (Constantin Fotitch):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

SIR:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on June 15, 1932 to December 15, 1939, inclusive, and June 15, 1940, from your Government pursuant to the terms of the Debt Agreement of May 3, 1926.

In presenting this notice of amounts due under the agreement signed by the Yugoslav Government, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF YUGOSLAVIA FROM JUNE 15, 1932 TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement	
	Principal	Interest
Total of amounts due from June 15, 1932 to December 15, 1939, inclusive.....	\$2,725,000.00	\$192,578.15

Amount due June 15, 1940:

Principal of bond No. 15 due June 15, 1940.....	488,000.00
Semiannual interest due June 15, 1940, on bonds Nos. 15 to 62.....	36,812.50
Interest accrued from December 15, 1939 to June 15, 1940, on principal amount of bonds which matured as follows:	
No. 7 \$250,000 matured 6/15/32	
No. 8 275,000 " 6/15/33	
No. 9 300,000 " 6/15/34	
No. 10 325,000 " 6/15/35	
No. 11 350,000 " 6/15/36	
No. 12 375,000 " 6/15/37	
No. 13 400,000 " 6/15/38	
No. 14 450,000 " 6/15/39	
\$2,725,000.....	1,703.13
Amount due.....	\$526,515.63

Note from the Minister of Yugoslavia in reply to the note dated June 1, 1940, from the Secretary of State:

ROYAL YUGOSLAV LEGATION,
Washington, D. C., June 6, 1940.

MR. SECRETARY:

I have the honor to acknowledge the receipt of your letter of June 1, 1940 with which you were good enough to send me the statement showing the amount due and payable on June 15, 1932 to December 15, 1939, inclusive, and June 15, 1940, by the Yugoslav Government, pursuant to the terms of its Debt Agreement of May 3, 1926.

The Royal Government, while appreciating the willingness of the United States Government to discuss, through diplomatic channels, any proposal in regard to payment of this indebtedness, are, to their sincere regret, still unable to resume the payment under the said Agreement or to bring forward, at the present moment, any new proposal to this effect.

Accept [etc.] CONSTANTIN FOTITCH

Finland

[Released to the press June 14]

Note from the Secretary of State to the Minister of Finland (Hjalmar J. Procopé):

DEPARTMENT OF STATE,
Washington, June 12, 1940.

SIR:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of May

1, 1923 and the Moratorium Agreement of May 23, 1932.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNT DUE FROM THE GOVERNMENT OF
THE REPUBLIC OF FINLAND JUNE 15, 1940

Amount due June 15, 1940:

Semiannual interest due June 15, 1940, on bonds Nos. 18 to 62	\$140,387.50
Fourteenth semiannual installment of annuity due June 15, 1940, on account of moratorium agreement of May 23, 1932	19,030.50
Amount due	\$159,398.00

Note from the Minister of Finland in reply to the note dated June 12, 1940, from the Secretary of State:

LEGATION OF FINLAND,
Washington, D. C., June 12, 1940.

EXCELLENCY:

Referring to Your Excellency's note of June 12th, 1940, transmitting a statement of the amounts due and payable on June 15, 1940, by the Finnish Government to the Government of the United States, I have the honor to inform you that the amounts due will be paid on the said date.

Accept [etc.]

HJALMAR J. PROCOPE

Hungary

[Released to the press June 14]

The Hungarian Government has informed the Department that it is again making a partial payment on its relief debt contracted in 1920 for the purchase of flour in May 1920 from the United States Grain Corporation through the American Relief Administration. While such payments have been made regularly since December 1937, their continuance in the difficult circumstances of the present time is a source of special gratification.

At the same time the Hungarian Government has recalled attention to its offer to undertake a new agreement on a permanent basis,

whereby payment of the original relief debt, without interest, would be completed in about 30 equal annual installments, and has again expressed the hope that the Congress will give favorable consideration to the offer. In recommending these proposals, made in February 1938, to the consideration of the Congress, the President, in his message of March 28, 1938, expressed the belief that they represented a noteworthy wish and effort of the Hungarian Government to meet its obligations to this Government.

[Released to the press June 14]

Note from the Secretary of State to the Minister of Hungary (John Pelényi):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

SIR:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on December 15, 1932 to December 15, 1939, inclusive, and June 15, 1940 from the Government of Hungary pursuant to the terms of the Debt Agreement of April 25, 1924 and the Moratorium Agreement of May 27, 1932.

In presenting this notice, I take the occasion to recall that the President, on March 28, 1938, transmitted to the Congress for its consideration the communication dated February 7, 1938, from the Minister of Hungary on the relief indebtedness of Hungary to the United States, in which the Hungarian Government tentatively formulates for the consideration of the American Government a possible basis for a new debt arrangement to replace completely the above-mentioned agreements. The President expressed the belief that the proposals of the Hungarian Government should receive the most careful consideration of the Congress and that they represented a noteworthy wish and effort of the Hungarian Government to meet its obligations to this Government.

Accept [etc.]

CORDELL HULL

JUNE 15, 1940

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[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE KINGDOM OF HUNGARY FROM DECEMBER 15, 1932 TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from December 15, 1932, to December 15, 1939, inclusive.....	\$108,025.00	\$434,413.21	\$54,932.54

Amount due June 15, 1940:

Semiannual interest due June 15, 1940 on bonds Nos. 17 to 62, and on balances of principal amounts of bonds Nos. 63 to 65..... \$31,294.64
Interest accrued from December 15, 1939 to June 15, 1940, on principal amounts which matured as follows:

\$12,285—matured 12/15/32	
12,785— " 12/15/33	
12,800— " 12/15/34	
13,310— " 12/15/35	
13,820— " 12/15/36	
13,830— " 12/15/37	
14,345— " 12/15/38	
14,850— " 12/15/39	

\$108,025..... 1,890.44

Fourteenth semiannual installment of the annuity due June 15, 1940, on account of the moratorium agreement of May 27, 1932..... 4,225.58

Amount due..... \$37,410.66

NOTE: On February 8, 1938, the Hungarian Government made a proposal for a new arrangement to replace its funding agreement of April 25, 1924, and moratorium agreement of May 27, 1932, which proposal was on March 28, 1938, transmitted by the President to the Congress for its consideration. Subsequently, payments of \$9,828.16 each were received on June 15, 1938, December 14, 1938, June 12, 1939, and December 13, 1939, by the United States.

Note from the Minister of Hungary in reply to the note dated June 1, 1940, from the Secretary of State:

ROYAL HUNGARIAN LEGATION,
Washington, D. C., June 14, 1940.

SIR:

By order of my Government, I have the honor to inform you that the amount of \$9,828.16 has been deposited today in the Federal Reserve Bank of New York on account of the relief indebtedness of Hungary to the Government of the United States.

I take the occasion to recall that in response to the repeated indications expressed by the United States Government in semi-annual notices "that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure that such proposals

would receive careful consideration with a view to eventual submission to the American Congress", my Government, in an *aide memoire* of February 7, 1938, submitted a proposal seeking to regularize its debt payments by a new agreement on a permanent basis, which would pay off completely the original relief debt, without interest, in equal instalments in the lifetime of the present generation, that is, in approximately thirty years. It has been a source of disappointment to my Government that so far no definitive action has been taken on this proposal.

May I call attention to the fact that the President in his message to Congress on March 28, 1938, said:

"The indebtedness of the Government of Hungary to the Government of the United States is not a war debt but is properly designated as a relief debt, having been contracted in May 1920 under the authority of the act of March 30, 1920, which authorized the United States Grain Corporation, with the approval of the Secretary of the Treasury, to sell or dispose of flour in its possession for cash or on credit at such prices and on such terms or conditions as considered necessary to relieve the populations in the countries of Europe or countries contiguous thereto suffering for the want of food. The American Relief Administration acted as the fiscal agent of the United States Grain Corporation in dispensing this relief.

"The original indebtedness, the principal amount of which was \$1,685,835.61, with interest accrued thereon from May 1920 to December 1923, at the rate of 4¼ percent per annum, was funded as of the latter date, by agreement made in April 1924, into bonds of Hungary in the aggregate principal amount of \$1,939,000, maturing serially in the succeeding years for 62 years, bearing 3 percent for the first 10 years and thereafter at the rate of 3½ percent per annum."

May I recall further the following facts as stated in the *aide memoire* of February 7, 1938:

"The failure of Hungary to effect payments to the United States under the terms of its debt contract had no relations whatsoever with the

defaults of other debtors of the United States. In December 1931, 6 months before the Hoover moratorium expired, the sudden withdrawal of foreign short-term credits completely exhausted the gold and foreign exchange reserve of the National Bank of Hungary and forced the Government, in order to safeguard the financial stability of the country, to decree a transfer moratorium on all foreign debts.

"The annuities due under the funding agreement of 1924 were included, however, by the Hungarian Government in every budget passed by Parliament from 1932 to 1937, and on each payment date the United States Government was informed that in lieu of transfer, Treasury bills in the national currency were deposited in its favor.

"Since the summer of 1937 the Hungarian Government has been emerging from the moratorium which for several years had interrupted payments on all kinds of Hungarian foreign debts to all classes of creditors in all parts of the world. Arrangements on a provisional and temporary basis have been worked out with various groups of creditors. Concurrently a payment of \$9,828.16 was made to the American Government on December 15, 1937."

The same amounts were paid on June 15 and December 15, 1938, and June 15 and December 15, 1939.

In conclusion, may I again express the earnest hope of my Government that the Congress of the United States will give favorable consideration to the offer of my Government submitted in the *aide mémoire* of February 7, 1938.

Accept [etc.]

JOHN PELENYI

Belgium

[Released to the press June 15]

Note from the Secretary of State to the Ambassador of Belgium (Count Robert van der Straten-Ponthoz):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

EXCELLENCY:

I am requested by the Secretary of the Treasury to transmit to you the attached statement

showing the amounts due and payable on December 15, 1932 to December 15, 1939, inclusive, and June 15, 1940, from your Government pursuant to the terms of the Debt Agreement of August 18, 1925 and the Moratorium Agreement of June 10, 1932.

In presenting this notice of amounts due under the agreements signed by the Belgian Government, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF BELGIUM FROM DECEMBER 15, 1932, TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from December 15, 1932 to December 15, 1939, inclusive.....	\$31,300,000	\$51,672,000	\$6,297,900.44

Amount due June 15, 1940:

Principal of bond No. 15 on account of pre-armistice indebtedness.....	\$2,900,000.00
Principal of bond No. 15 on account of post-armistice indebtedness.....	1,900,000.00
Semiannual interest due June 15, 1940, on bonds Nos. 8 to 62, aggregating \$237,600,000 representing post-armistice indebtedness, as provided for in the funding agreement of August 18, 1925.....	4,158,000.00
Fourteenth semiannual installment of the annuity due June 15, 1940, on account of the moratorium agreement of June 10, 1932.....	484,453.88
Amount due.....	\$9,442,453.88

Translation of a note from the Ambassador of Belgium in reply to the note dated June 1, 1940, from the Secretary of State:

BELGIAN EMBASSY

Washington, June 14, 1940.

I had the honor to receive the note of June 1, 1940, by which Your Excellency was good enough to transmit to me a statement of the pay-

JUNE 15, 1940

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ment envisaged by the Belgian-American Debt Agreement of August 18, 1925, and by the Moratorium Agreement of June 10, 1932.

I did not fail to transmit this communication to my Government which has now instructed me to inform the Government of the United States that the Royal Government keenly regrets to find that the reasons which have forced it to suspend, since December 15, 1932, the service of its debt to the United States, have lost none of their validity.

No new element having arisen which would permit Belgium to modify its attitude, my country finds it impossible to effect, on June 15, 1940, the payment in question.

I avail [etc.]

VAN DER STRATEN

Estonia

[Released to the press June 15]

Note from the Secretary of State to the Acting Consul General of Estonia (Johannes Kaiv):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

SIR:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on December 15, 1932 to December 15, 1939, inclusive, and June 15, 1940, from your Government pursuant to the terms of the Debt Agreement of October 28, 1925 and the Moratorium Agreement of June 11, 1932.

In presenting this notice of amounts due under the agreements signed by the Estonian Government, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE REPUBLIC OF ESTONIA FROM DECEMBER 15, 1932 TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from December 15, 1932 to December 15, 1939, inclusive.....	\$1,000,000	\$4,253,080	\$475,608.77

Amount due June 15, 1940:

Semiannual interest due June 15, 1940, on bonds Nos. 18 to 62 and 10-A to 54-A.....	\$268,765.00
Interest accrued from December 15, 1939, to June 15, 1940, on principal amounts of bonds aggregating \$1,000,000 which matured from December 15, 1932 to December 15, 1939, inclusive.....	17,500.00
Fourteenth semiannual annuity due June 15, 1940, on account of the moratorium agreement of June 11, 1932.....	36,585.29
Amount due.....	\$322,850.29

Note from the Acting Consul General of Estonia in reply to the note dated June 1, 1940, from the Secretary of State:

LEGATION OF ESTONIA,
New York, N. Y., June 13, 1940.

EXCELLENCY:

Acknowledging the receipt of your note of June 1, 1940, I have the honor to inform you that the Government of Estonia regret to be unable, for reasons stated in their previous notes, to effect the payment of instalments falling due on June 15, 1940, under terms of the Debt Funding Agreement of October 28, 1925, and the Moratorium Agreement of June 11, 1932, between Estonia and the United States.

I avail [etc.]

JOHANNES KAIIV

Latvia

[Released to the press June 15]

Note from the Secretary of State to the Minister of Latvia (Dr. Alfred Bilmanis):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

SIR:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on June 15, 1933 to December 15, 1939, inclusive, and

June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of September 24, 1925 and the Moratorium Agreement of June 11, 1932.

In presenting this notice of amounts due under the agreements signed by the Latvian Government, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE REPUBLIC OF LATVIA FROM JUNE 15, 1933, TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from June 15, 1933, to December 15, 1939, inclusive.....	\$403,700.00	\$1,658,905.84	\$198,565.38

Amount due June 15, 1940:

Semiannual interest due June 15, 1940, on bonds Nos. 18 to 62 and 10-A to 54-A.....	\$112,544.25
Interest accrued from December 15, 1939 to June 15, 1940, on principal amounts aggregating \$403,700 which matured from December 15, 1933 to December 15, 1939, inclusive.....	7,064.75
Fourteenth semiannual installment of annuity due June 15, 1940, on account of the moratorium agreement of June 11, 1932.....	15,274.26
Amount due.....	\$134,883.26

Note from the Minister of Latvia in reply to the note dated June 1, 1940, from the Secretary of State:

LATVIAN LEGATION,

Washington, D. C., June 13, 1940.

SIR:

In reply to your Note of June 1st and referring to my Note No. 410.63/973 of December 14, 1939, I have the honor to inform you that in the interval which has elapsed since the despatch of the Note referred to above no changes have been observed in the general position and in the circumstances of a nature that could have altered the attitude of the Latvian Government in regard to the settlement of the Latvian indebtedness to the United States.

In view of the above and maintaining their present view and attitude in regard to the subject as expressed in the relevant correspondence, I have the honor to inform you that to their regret the Latvian Government find it impossible to effect the payment of the installment of their debt to the United States which becomes due on June 15th.

Accept [etc.]

Dr. ALFRED BILMANIS

Lithuania

[Released to the press June 15]

Note from the Secretary of State to the Minister of Lithuania (Povilas Žadeikis):

DEPARTMENT OF STATE,

Washington, June 1, 1940.

SIR:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable June 15, 1933 to December 15, 1939, inclusive, and June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of September 22, 1924 and the Moratorium Agreement of June 9, 1932.

In presenting this notice of amounts due under the agreements signed by the Lithuanian Government, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA FROM JUNE 15, 1933, TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from June 15, 1933, to December 15, 1939, inclusive.....	\$312,825.00	\$1,445,788.03	\$177,882.38

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Amount due June 15, 1940:

Principal of bond No. 16 for \$48,000 and principal installment amounting to \$3,335.00 on bonds Nos. 62 to 71, due June 15, 1940.....	\$51,335.00
Semiannual interest due June 15, 1940 on bonds Nos. 16 to 62 and balance of principal amounts on bonds Nos. 63 to 71.....	102,309.23
Interest accrued from December 15, 1939, to June 15, 1940, on principal amounts which matured as follows:	
\$39,705 matured 6/15/33	
41,795 " 6/15/34	
42,885 " 6/15/35	
44,975 " 6/15/36	
46,065 " 6/15/37	
48,155 " 6/15/38	
49,245 " 6/15/39	
\$312,825.....	5,474.44
Fourteenth semiannual installment of annuity due June 15, 1940, on account of moratorium agreement of June 9, 1932.....	13,683.26
Amount due.....	\$172,801.93

Note from the Minister of Lithuania in reply to the note dated June 1, 1940, from the Secretary of State:

LITHUANIAN LEGATION,
Washington, D. C., June 14, 1940.

SIR:

I have the honor to acknowledge the receipt of your note of June 1, 1940, transmitting a statement showing the amounts due and payable June 15, 1933 to December 15, 1939, inclusive, and June 15, 1940 from my Government pursuant to the terms of the Debt Agreement of September 22, 1924 and the Moratorium Agreement of June 9, 1932.

In accordance with my Government's instructions, I have the honor to inform you that the Lithuanian Government, acknowledging its indebtedness to the United States of America, regrets exceedingly its continued inability to effect the payments due to the United States Government on June 15, 1940 for the reasons stated in this Legation's previous communications.

My Government has taken note of your reiteration that the United States Government is fully disposed to discuss, through diplomatic channels, any proposals which my Government may desire to put forward in regard to the payment of this indebtedness, and that such proposals would receive careful consideration with a view to eventual submission to the American Congress. The Lithuanian Government will avail itself of this opportunity when it will be found that discussions

in this matter will be likely to produce mutually agreeable results.

Accept [etc.]

P. ŽADEIKIS

Poland

[Released to the press June 15]

Note from the Secretary of State to the Ambassador of Poland (Count Jerzy Potocki):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

EXCELLENCY:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable December 15, 1932 to December 15, 1939, inclusive, and June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of November 14, 1924 and the Moratorium Agreement of June 10, 1932.

In presenting this notice of amounts due under the agreements signed by the Polish Government, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE REPUBLIC OF POLAND FROM DECEMBER 15, 1932 TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from December 15, 1932, to December 15, 1939, inclusive....	\$11,973,000	\$53,230,320	\$5,930,986.23

Amount due June 15, 1940:

Semiannual interest due June 15, 1940, on bonds Nos. 18 to 62 and 11-A to 55-A.....	\$3,373,282.80
Interest accrued from December 15, 1939 to June 15, 1940, on bonds aggregating \$11,973,000 which matured from December 15, 1932 to December 15, 1939, inclusive.....	209,537.50
Fourteenth semiannual installment of annuity due June 15, 1940, on account of the moratorium agreement of June 10, 1932.....	406,220.71
Amount due.....	\$4,039,039.71

Note from the Ambassador of Poland in reply to the note dated June 1, 1940, from the Secretary of State:

EMBASSY OF POLAND,
Washington, D. C., June 14, 1940.

SIR:

Acting upon instructions of my Government, and in answer to your note of June 1, 1940, I beg to thank you for the assurance that the United States Government is fully disposed to discuss, through diplomatic channels, any proposal which my Government desire to put forward in regard to payments resulting from the terms of the Debt Agreement of November 14, 1924, and the Moratorium Agreement of June 10, 1932.

In connection with the above, I have the honor to inform you that, owing to the aggression against Poland by Germany and the U. S. S. R. and the subsequent invasion of her territory by the forces of the said countries, which unfortunately enhances the reasons as contained in the note of December 8, 1932, and confirmed by later declarations, the Polish Government are obliged to request similarly a deferment of payment of the instalment payable on June 15, 1940, the Polish Government, to their great regret, still not being in a position to resume the service of the debt towards the United States.

Accept [etc.]

POTOCKI

Rumania

[Released to the press June 15]

Note from the Secretary of State to the Minister of Rumania (Radu Irimescu):

DEPARTMENT OF STATE,
Washington, June 1, 1940.

SIR:

I am requested by the Secretary of the Treasury to transmit to you the attached statement showing the amounts due and payable on June 15, 1933 to December 15, 1939, inclusive, and June 15, 1940 from your Government pursuant to the terms of the Debt Agreement of December 4, 1925, and the Moratorium Agreement of June 11, 1932.

In presenting this notice of amounts due under the agreements signed by the Government

of Rumania, I take the occasion to reiterate that this Government is fully disposed to discuss, through diplomatic channels, any proposals which your Government may desire to put forward in regard to the payment of this indebtedness, and to assure you that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

Accept [etc.]

CORDELL HULL

[Enclosure]

STATEMENT OF AMOUNTS DUE FROM THE GOVERNMENT OF THE KINGDOM OF RUMANIA FROM JUNE 15, 1933, TO DECEMBER 15, 1939, INCLUSIVE, AND JUNE 15, 1940

	Funding Agreement		Annuity under Moratorium Agreement
	Principal	Interest	
Total of amounts due from June 15, 1933 to December 15, 1939, inclusive.....	\$11,200,000.00	\$907,559.81	\$633,751.04

Amount due June 15, 1940:

Principal of bond No. 15 due June 15, 1940.....	\$430,560.43
Semiannual interest due June 15, 1940, on bonds Nos. 15 to 62, aggregating \$51,860,560.43, as provided for in the funding agreement of December 4, 1925.....	907,559.81
Fourteenth semiannual installment of the annuity due June 15, 1940, on account of the moratorium agreement of June 11, 1932.....	48,750.08
Amount due.....	\$1,386,870.32

Note from the Minister of Rumania in reply to the note dated June 1, 1940, from the Secretary of State:

ROYAL LEGATION OF ROMANIA,
Washington, D. C., June 15, 1940.

SIR:

I have the honor to acknowledge receipt of your note of June 1, 1940, to which was appended a statement showing the amounts due and payable on June 15, 1933, to December 15, 1939, inclusive, and June 15, 1940, from the Romanian Government, pursuant to the terms of the Debt Agreement of December 4, 1925, and the Moratorium Agreement of June 11, 1932.

In view of the fact that in your note of June 1, 1940, you take occasion to reiterate that the American Government is fully disposed to discuss, through diplomatic channels, any proposals which the Romanian Government may desire to put forward in regard to the payment

of this indebtedness, I take the liberty of referring to my note of May 3, 1939, in which I informed you that I had been designated by my Government to commence negotiations with the United States Government for the purpose of reaching a new agreement in respect to the debt owed by the Romanian Government to the United States.

This action on the part of the Romanian Government was taken at a time when it could not have been influenced by circumstances, which have since developed, but only as a further step within its policy of rehabilitation of public finances.

This policy, after achieving a balanced budget, has led to the fulfilling of all internal obligations and necessarily must have as its next objective the fulfillment of external obligations. It is obvious that in the case of Romania's obligations towards the United States, account has to be taken of the practical possibility of converting Romanian currency into dollars, when Romanian purchases from the United States are several times larger than American imports from Romania, and triangular exchange transactions are rendered impossible by clearing agreements blocking the proceeds from Romanian goods sold in countries where it has a favorable trade balance.

As stated in my note of May 3, 1939, and again in my note of December 14, 1939, my Government finds it impossible to carry out the terms of the Debt Settlement Agreement reached in December 1925, because of circumstances and reasons beyond its control. However, may I stress again the desire of the Romanian Government to negotiate, as soon as possible, a new agreement.

At the same time, I beg to inform you that as a token of its good faith and of its real desire to reach a new agreement concerning my Government's indebtedness to the Government of the United States, the Romanian Government is paying, herewith, the sum of One Hundred Thousand (100,000) Dollars to the American Government. This sum is to be held in a special account and is to be used if, as and when the new agreement to be negotiated by our two

Governments will have entered in force, after having been ratified by the American Congress and the Romanian Parliament.

Since May 3, 1939, when the Romanian Government first approached the American Government in this matter, general international conditions, far from improving, have become still more disrupted and precarious. Therefore, it is only through the greatest financial effort, eloquently indicative of its sincere intentions, that the Romanian Government will do its utmost to eliminate the present existing situation in respect to its debt to the United States.

Accept [etc.]

R. IRIMESCU

Note from the Secretary of State in reply to the note dated June 15, 1940, from the Minister of Rumania:

DEPARTMENT OF STATE,
Washington, June 15, 1940.

SIR:

I have the honor to acknowledge the receipt of your note of June 15, 1940 (no. 2378/P-3-1-10) regarding the indebtedness of your Government to the Government of the United States, together with the check for \$100,000 transmitted therewith.

The check and a copy of your note under acknowledgment were forwarded to the Treasury Department, and the following reply of the Acting Secretary of the Treasury to this Department's letter has now been received:

"Acknowledgment is made of the receipt of your letter of June 15, 1940, enclosing a copy of a note from the Rumanian Minister in Washington. In his note, the Rumanian Minister states in part as follows:

"At the same time, I beg to inform you that as a token of its good faith and of its real desire to reach a new agreement covering my Government's indebtedness to the Government of the United States, the Romanian Government is paying, on June 15, 1940, the sum of One Hundred Thousand (100,000) Dollars to the American Government. This sum is to be held in a special account and is to be used if, as and when the new agreement to be negotiated by our two Governments will have entered in force, after having been ratified by

the American Congress and the Romanian Parliament.'

"The Treasury Department is without power to modify in any way the terms or provisions of the debt agreement of December 4, 1925 and the Moratorium Agreement of June 11, 1932 between the United States and Rumania. The Treasury Department will, however, receive the sum of \$100,000 under the conditions set forth in the note from the Rumanian Minister and will deposit such funds with the Treasurer of the United States in a special desposit account of the Secretary of the Treasury. Such receiving and holding of the funds under the

condition set forth should not be deemed in any way to alter the provisions of the aforementioned agreements between the United States and Rumania or to prejudice the rights of the United States Government.

"The Department is giving consideration to the appropriate method of dealing with the suggestion of the Rumanian Government to negotiate a new debt agreement.

"It is assumed that you will advise the Rumanian Minister of the contents of this letter."

Accept [etc.]

CORDELL HULL

The American Republics

THE UNITED STATES AND INTER-AMERICAN RELATIONS

Address by Ben M. Cherrington ¹⁴

[Released to the press June 15]

Perhaps in no period of our history has there been a greater need than today for cooperative action amongst the nations of the Western Hemisphere in order to preserve the principles on which they were founded. Sound inter-American relations, always desirable, are now a necessity. The contrast between the spiritual unity and peaceful collaboration the American republics have jointly achieved and the tragedy of the brutal events in other continents should not be cause for smug satisfaction. Cooperative peace is not a static international condition. It was not created by hoping for it nor can it be maintained by extollings. Pan-Americanism is a living movement and like every living, and particularly every living and growing movement, it requires continual and progressive cooperation to sustain it.

We should candidly examine the basic re-

quirements for enduring peace between the free and equal states of the Americas. We must see the problems that remain to be solved; analyze, understand, and dissolve the inevitable differences of thought that exist between any one national entity and another.

International relations divide themselves into three main fields—political, economic, and cultural. Politically inter-American relations have been characterized by the tendency to act independently and the trend toward collective action. We are moving from the unilateral announcement of policy by President Monroe in 1823 toward the dream of Simon Bolívar expressed at the first Inter-American Congress at Panamá in 1826, of a treaty of "Union, League, and Perpetual Confederation." The progress toward this ideal until recently has been slow. During the nineteenth century many futile attempts were made to give some definite form to pan-Americanism. The attitude of the United States, occupied in expanding her frontiers and developing her resources during this period, can best be de-

¹⁴Delivered before the Institute of Public Affairs, University of Virginia, Charlottesville, Va., June 15, 1940. Dr. Cherrington is Chief of the Division of Cultural Relations, Department of State.

scribed as one of relative indifference. Not until 1884, when Congress appointed a commission to tour South America in the interests of fostering trade, did the United States evidence any interest in pan-Americanism. As a result of the recommendations of the Commission, the First Pan American Congress met in Washington in 1889 to consider problems of commerce and arbitration.

The period 1889-1928 in inter-American relations was marked by a strong desire on the part of the United States for commercial concessions combined with an increasing tendency toward independent political action. A number of treaties and conventions for arbitration, conciliation, and the peaceful settlement of disputes were signed, but the achievements of the various conferences fell far short of the desires of many of the countries which wished the gatherings to become a more complete expression of the collective political will of all the American states. But any expression of collective political will was opposite to the policy of the United States. In 1904 President Roosevelt, in a message to Congress, extended the Monroe Doctrine to the internal government of the other American states. The United States became the self-appointed censor of the political morals and guardian of the destinies of its southern neighbors. The "Roosevelt corollary" soon led to a policy of intervention in the Caribbean. Such incidents as the military occupation of Haiti, the Dominican Republic, and Nicaragua, the shelling of Veracruz, were hardly calculated to bring about increased confidence or any sort of hemispherical unity. We were regarded as the Colossus of the north—the imperial Yankee. The mounting distrust and ill will in the other republics came to a head at the Habana conference in 1928, where the delegates of the United States found a bloc of hostile nations arrayed against them. By this time it had become clearly realized in the United States that our policies had neither furthered our interests nor permanently benefited the peoples of the nations where such intervention took place. Trade is based not only on economic necessity but also on confidence and

good will, and as Mr. Welles once said "the utilization of the orderly processes of self-government cannot be imposed from without by an alien people but can only arise from the needs and will of the people themselves."

The Habana conference sometimes has been referred to as the turning point in the relations of the United States to other American states. From this time on the Government has moved steadily in the direction of inter-American cooperation in place of independence of action. President Hoover, in his South American tour immediately following his election, assured Latin America that intervention would give way to equality. Aided by Secretary of State Stimson, definite progress toward this democratic goal was made. President Roosevelt proceeded to accelerate the pace and widen the scope of the new order of affairs describing it as the "good neighbor policy." In his words "in the field of world policy I would dedicate this Nation to the policy of the good neighbor." At the Seventh Inter-American Conference at Montevideo in 1933 we appeared as an equal rather than as a dominant force. Inter-American cooperation was furthered by the unanimously adopted pledge to lower tariff barriers and accept the principle of the most-favored-nation clause, the agreement to sign and ratify existing peace treaties, and, most important of all, the convention on the rights and duties of states, which provided that "no state has a right to intervene in the internal or external affairs of another." In 1936 the Inter-American Conference for the Maintenance of Peace, at Buenos Aires, attended by President Roosevelt, adopted treaties designed to coordinate and strengthen the peace machinery in the Western Hemisphere, reaffirmed the nonintervention of the Montevideo conference, and signed the important treaties for the exchange of students and professors, publications, and art exhibits.

At Lima in 1938 the United States was the willing supporter of cooperative commitments for the security and welfare of the Americas, provided these were unanimously acceptable. The great distance we had traveled on the road of inter-American relations since the Habana

conference was nowhere more clearly revealed than in the declaration of continental solidarity at Lima:

"Considering:

"That the peoples of America have achieved spiritual unity through the similarity of their republican institutions, their unshakable will for peace, their profound sentiment of humanity and tolerance, and through their absolute adherence to the principles of international law, of the equal sovereignty of states and of individual liberty without religious or racial prejudices;

" . . . the Governments of the American States
"Declare:

"First. That they reaffirm their continental solidarity and their purpose to collaborate in the maintenance of the principles upon which the said solidarity is based;

"Second. That faithful to the above-mentioned principles and to their absolute sovereignty, they reaffirm their decision to maintain them and to defend them against all foreign intervention or activity that may threaten them . . ."¹⁵

We soon had cause to be thankful for the progress we had made in Montevideo, Buenos Aires, and Lima. The outbreak of war, which, as we had stated in Buenos Aires, "affects directly or indirectly all civilized peoples and endangers the great principles of liberty and justice which constitute the American ideal and the standard of American international policy,"^{16a} found us ready with common machinery for immediate cooperative action to serve our common ends. Inside of three weeks the Ministers of Foreign Affairs were meeting in Panamá. A declaration of neutrality of the American republics was approved, and an inter-American neutrality committee created, and an inter-American economic and financial advisory committee set up to study economic problems resulting from the war.¹⁶

The political aspect of inter-American relations therefore can be described as strong and growing in scope and adequacy. It is by no means fully developed. However it presents a dynamic system unfettered by complex legal formulas designed to prescribe in advance of the event the course the Americas must take. Under its provision for consultation and guided by the broad principles laid down in treaties and conventions for maintaining peace, the American republics are free to create those agencies and adopt such common policy of action as the exigencies of international developments may call for.

Economic inter-Americanism is confronted with tangible and formidable barriers. Most of the other republics are to a far greater degree than the United States dependent upon foreign trade. The physical characteristics of our lands have made our economic systems in part competitive and in part complementary. In addition, instead of widely diversified production the exports of most republics consist in the main of one or two commodities. Industry in the other republics, generally speaking, is in the embryonic stage. Like the United States in the nineteenth century they have received large investments of foreign capital, much of it on the unsound basis of maximum consideration for the foreign investor and minimum consideration for the permanent development of the country. The traditional position of the debtor nation, obliged to depend on a surplus of exports to service its debt, has been the lot of most of the American republics. The United States and Great Britain have been the chief investors in South America. During the great depression many South American countries took protective steps to insulate themselves against sudden dislocation of the world's money in trade markets. These moves took the form of exchange controls on the one hand and the stimulation of new enterprises designed to make them more self-contained on the other. Many of these unilateral developments were merely in their initial stages at the outbreak of the present war. Similarly, the advent of war last fall found arrangements for inter-American economic cooperation developed not far beyond the elementary stage,

¹⁵ See the *Press Releases* of December 24, 1938 (Vol. XIX, No. 482), pp. 474-475.

^{16a} Treaty Series No. 922.

¹⁶ See the *Bulletin* of October 7, 1939 (Vol. I, No. 15), pp. 324-328.

although economic policies in several states had prepared the way for progress in cooperative effort.

Basically, the problem of inter-American economic cooperation is not so much one of immediately expanding United States sales as the necessity of finding new and adequate markets for the exports of the other American republics.

The United States has been able to absorb large amounts of noncompetitive exports, such as coffee from Brazil; it is when we face the problem of competitive exports that inter-American trade relations become most complicated.

Our Government continues to give earnest consideration to the solution of this difficult question. The reciprocal-trade-agreements act has led to the conclusion of mutually beneficial trade agreements with 11 of the other American republics. The Secretary of Agriculture pointed out in a speech given before the Eighth American Scientific Congress that there is a definite need for "exploring the possibilities for greater agricultural production in Latin America of tropical and semitropical products that the United States needs and can readily import in substantial quantities . . . such articles as rubber, quinine, abacá, kapok, rotenone and other insecticides, tea, cocoa, camphor, and tropical hardwoods. Hundreds of millions of dollars are spent by this country each year for such commodities as these, imported for the most part from distant areas outside this hemisphere. For such a purpose some thought has been given to the possibility of establishing an institute of tropical agriculture in some Latin American country where facilities for tropical research are suitable."

The Department of Commerce has also recently pursued a policy of investigating opportunities for the development of production in the other American republics of noncompetitive goods suitable for sale in the United States. A modest amount of direct aid for useful development programs has been furnished by the Export-Import Bank credits, directed primarily toward assisting the export of the necessary machinery, equipment, and materials from the United States. Brazil, Chile, Colombia, Ecua-

dor, Haiti, Nicaragua, Panama, and Paraguay have availed themselves of such credits. Another form of economic cooperation on the part of our Government has been the development of the policy of loans of the services of civilian experts and technicians of this Government to the governments of the American republics. Under a bill passed by Congress to this effect the President has detailed to the other American republics, upon their invitation, experts in a wide range of subjects.

Vigorous and intelligent cooperative efforts to surmount the difficulties described previously have been carried on since the time of the Inter-American Financial and Economic Advisory Committee's creation last fall. By its broad terms of reference the Committee has been able to deal not only with immediate problems arising from the dislocations of the war, but also to engage in long-range planning of reorganization of inter-American economic life on a permanent and mutually beneficial basis.

Two concrete results have emerged from their wide and detailed study. First, the creation of a five-member commission to encourage and study developments of mixed enterprises consisting of the United States on the one hand and local owners and management on the other for the purpose of stimulating production in the other American republics of noncompetitive goods readily marketable in the United States. Secondly, the Committee recommended in February to the 21 republics the establishment of an inter-American bank. On April 16, the definitive texts of an international convention, charter, and bylaws relating to the proposed bank were adopted.¹⁷ On May 10 the draft convention was opened for signature, and to date nine nations—Bolivia, Brazil, Colombia, the Dominican Republic, Ecuador, Mexico, Nicaragua, Paraguay, and the United States—have signed.

The nations of the new world stand united, ready to pay whatever price may be necessary to maintain their political independence through cooperative effort. And they recognize that

¹⁷ See the *Bulletin* of May 11, 1940 (Vol. II, No. 46), pp. 512-522.

political independence presupposes economic security. The distortion created by the war magnifies the complexity of the economic task beyond all precedent, but the will and the skill to meet it are at hand.

Weaved through every political and economic relationship is the third type of contact the nation has with another. The people behind the governments are the ultimate determinators of the success or failure of political and economical cooperative efforts. Their good will and understanding are the essentials in any international relationship. Therefore, although the results cannot be directly measured in terms of political pacts or on the balance sheet of trade, cultural and intellectual interchange is of the greatest importance. To understand the fundamental problems in inter-American cultural relations we should remember that the culture of the United States derives from northern Europe; that of the other American republics from the Mediterranean area. Wide differences in language, social institutions, and patterns of thought have resulted. Cultural relationships with the mother countries in Europe have continued in the Western Hemisphere long after the political bonds were severed. In the World War the virtual break in cultural relations with Europe resulted in increased interest on the part of the American republics in themselves. After the war, however, the cultural ties with Europe were soon reestablished. Today we are again thrown on our own intellectual resources with all the implications and all the possibilities that may arise from this cultural reorientation.

Fortunately in the past 12 years numerous cooperative developments have occurred in the field of cultural relations. First, the creation of a "Division of Intellectual Cooperation" by the Pan American Union in 1928. This organization serves as a center of information and a clearinghouse for exchanges between the republics. Due in part to its stimulating influence, 12 countries now possess official Committees of Intellectual Cooperation: Argentina, Bolivia, Brazil, Chile, Cuba, Dominican Republic, Ecuador, Haiti, Mexico, Peru, El Salvador, and Uruguay. Further impetus to the establishment of

organizations and procedures for cultural exchange was given by the First Inter-American Conference of National Committees of International Cooperation held in Santiago, Chile, in January 1939. This Conference was attended by representatives from nearly all the American republics. As an indication of the importance now given to inter-American cooperation in the cultural field, it is interesting to note that over one-third of the resolutions adopted in Lima come under this heading.

In our country innumerable institutions exist to promote cultural interchange and sympathetic understanding of the history and institutions of other peoples. The National Committee of the United States of America on International Intellectual Cooperation, as an unofficial body, has played a significant role in association with the committees of the other republics. Until July 1938 no agency in our Government existed to coordinate and stimulate the efforts of private institutions. At that time the Division of Cultural Relations was created in the Department of State. In the words of the departmental order it was to have "general charge of official international activities of this Department with respect to cultural relations, embracing the exchange of professors, teachers, and students; cooperation in the field of music, art, literature, and other intellectual and cultural attainments; the formulation and distribution of libraries of representative works of the United States and suitable translations thereof; the preparations for and management of the participation by this Government in international expositions in this field; supervision of participation by this Government in international radio broadcasts; encouragement of a closer relationship between unofficial organizations of this and of foreign governments engaged in cultural and intellectual activities; and, generally, the dissemination abroad of the representative intellectual and cultural works of the United States and the improvement and broadening of the scope of our cultural relations with other countries."¹⁸

¹⁸ See the *Press Releases* of July 30, 1938 (Vol. XIX, No. 461), p. 66.

The work of the Department of State in cultural relations is not "propagandistic" in the popular sense of the term, which carries with it implications of penetration, imposition, and unilateralism. If its endeavors are to be directed toward the development of a truer and more realistic understanding between the people of the United States and those of other nations, it is believed that such a goal can most surely be attained by a program which is definitely educational in character and which emphasizes the essential reciprocity of cultural relations.

At home, the Department of State has sought to coordinate the efforts of the many private agencies in this field. In the fall of 1939 approximately 1,000 responsible leaders of education and cultural activities came to Washington from all parts of the United States at their own expense to attend four conferences on inter-American relations in the fields of art, music, education, and on publications and libraries. Copies of a survey sponsored by the National Committee of the United States of America on International Intellectual Cooperation on what had been previously accomplished were made available to each person.

Of the four conferences, the largest was in the field of education, attended by over 600 college and university presidents and other intellectual leaders from 46 States. Ways and means of increasing scholarships for students from the other republics, hospitality for visiting students, exchange of articles and publications, cooperation in medical education and health activities, discussion of Latin-American studies in secondary schools and universities were considered. The conference on publications and libraries assembled 200 representatives of leading publishing houses, libraries, and journals and discussed means of the wider dissemination of the literature of the various republics. The conference on art gave consideration to the question of making art resources of the various countries more readily available. The conference on music, attended by a distinguished group of leaders in the field, explored the possibilities of a fuller exchange of musical interests. Continuation commit-

tees were set up to study the suggestions made at the conferences and to assign projects to appropriate agencies for action. The work is going ahead.

Further, in order to provide liaison between the Department of State and the numerous private agencies, a small general advisory committee to the Department has been appointed by the Secretary of State. The counsel of this committee has been of invaluable aid to the work of the Division of Cultural Relations.

A second committee has also been appointed by the Secretary to aid the Department in carrying out the exchange of professors and students provided by the Buenos Aires conference. Two graduate students or teachers and one professor are to be exchanged between each of the signatories under the terms of the Convention for the Promotion of Inter-American Cultural Relations.¹⁹ Funds have been made available by Congress for this purpose during the current year.

In all three lines of inter-American relations encouraging progress has been made. Politically and economically we now have the machinery to deal in a logical fashion with our problems. Culturally we are becoming more and more sympathetically conscious of the civilization and peoples who make up the Western Hemisphere. The most clear and solid fact that emerges from inter-American relations today is that suspicion has been replaced by cooperation, fear and hostility by a feeling of friendship.

Inter-American relations today are based on the practical application of the principles they are designed to preserve. The American republics believe in democracy and therefore apply it in united rather than unilateral action. There is no need to hide the principles for which we stand in tortuous "party lines," anonymous "fellow travelers," or furtively armed forces. We do not seek to undermine, but rather to understand. We have no desire to make ourselves a "master race" or "master hemisphere." At the same time, we are united in our determination not to be mastered. If, as Secretary Hull

¹⁹ Treaty Series No. 928.

envisaged in a recent speech, the tragic debacle in the Old World leaves to us in the New World the responsibility of guarding the achievements of western civilization we must not, we shall not fail that trust.

MESSAGE FROM THE PRESIDENT OF BRAZIL

[Released to the press by the White House June 15]

The following cablegram from the President of Brazil, Dr. Getulio Vargas, was delivered to the Department of State on June 14, and was given to the President by the Department:

"JUNE 13, 1940.

"BRAZILIAN EMBASSY,
Washington, D. C.

"Speech delivered June 11 can in no sense be regarded as contradictory to that of President Roosevelt whose speech I had not read at that time. My speech is a warning, a call to reality, addressed to Brazilians and which might cause surprise only to persons devoted to routine, not to a far-seeing mind like that of Roosevelt, who is liberal minded, progressive and forward looking, crying out as the voice of the whole continent regarding perils which threaten America and who knows that Brazil will not fail him in loyalty.

GETULIO VARGAS"

SOUTH AMERICAN TOUR OF THE ALL AMERICA YOUTH ORCHESTRA

[Released to the press June 14]

Mr. Leopold Stokowski and his manager, Mr. Michael Myerberg, called on the Secretary of State June 12 to inform him that plans had been completed for the tour of South America of the All America Youth Orchestra under the leadership of Mr. Stokowski. The Secretary reiterated his recognition of the contribution which the interchange of the finest achievements in music can make to the development of understanding and good will among the coun-

tries of this hemisphere. He expressed to Mr. Stokowski and Mr. Myerberg his good wishes for the success of the forthcoming tour.

The Far East

JAPANESE BOMBINGS OF CHUNGKING

[Released to the press June 13]

In response to inquiries from correspondents in regard to reports of the bombing of Chungking on June 12, the Secretary of State said that according to information which has reached the Department from official and unofficial sources, Chungking has been extensively bombed on each of several recent days and on June 12 was intensively and indiscriminately bombed by more than 100 Japanese planes; that casualties of June 12 among the civil populace will probably number several hundred; that various buildings of the American Methodist Mission, including a church, were damaged by concussion; and that two groups of Japanese planes flew over the American Embassy premises but no bombs fell in the immediate vicinity of the Embassy. The Secretary added that the attitude and the position of the people and the Government of the United States toward ruthless bombings of civilian populations have been made abundantly and frequently clear and that we wholeheartedly condemn such practices wherever and whenever they occur.

General

REGULATIONS REGARDING IMMIGRATION VISAS FOR CANADIAN AND MEXICAN COMMUTERS

[Released to the press June 13]

The Department of State has announced new regulations dealing with commuters from

Canada and Mexico. The new regulations become effective on July 1, 1940, and thereafter Canadian and Mexican commuters who have entered the United States with immigration visas will be permitted to enter the United States without new visas if they are holders of border identification cards issued by the immigration authorities. Persons who have been lawfully admitted into the United States for permanent residence but who are not holders of border identification cards may either obtain a reentry permit from the immigration authorities before departing from the United States or apply for a new immigra-

tion visa at an American consular establishment abroad. Returning residents of the United States are not subject to quota limitations when applying for immigration visas.

Provision has also been made with respect to nationals of a contiguous country who pass from the country of which they are nationals in direct transit through the United States by means of a transportation line which runs through the territory or waters of both countries. Such persons will be permitted to pass in direct transit through the United States in the manner indicated without passports or visas.

Commercial Policy

RESTRICTIONS ON IMPORTS INTO ECUADOR

[Released to the press June 15]

The Department of State announced June 15 that in accordance with the provisions of article VII of the trade agreement between the United States and Ecuador concluded August 6, 1938, and effective October 23, 1938,²⁰ the Government of Ecuador had given notice to the Government of the United States that, with a view to maintaining the exchange value of the sucre, it was deemed necessary, as a temporary measure, to impose quantitative restrictions on imports into Ecuador of certain articles which are included in schedule I of that agreement.

The Government of Ecuador has proposed that during the next 6 months imports of the following articles from all countries be restricted to a total not in excess, on an annual basis, of 50 percent of the average annual imports of those articles during the 4 years 1936-39, inclusive:

²⁰ Executive Agreement Series No. 133.

Ecuadoran tariff item	Description of article
Ex 13 a-----	Hog lard.
30-----	Preserved sardines, in any form or preparation.
87-----	Pure wheat flour, in any container.
Ex 277-----	All prepared liquid paints, not otherwise provided for, including those called enamels and lacquers, not provided for in section 6.
644-----	Mechanical specie counters; cash registers; calculating machines; accounting machines; spare parts for all such machines.
650-----	Sewing machines, in general, with or without covers, called table or cabinet machines, for seamstresses and tailors.
687-----	(a) Automobiles up to 600 dollars in value. (b) From 601 to 900 dollars. (c) 901 dollars and above.
900-----	Oilcloth with a base of cotton or other vegetable fibres, and imitation leather, for furniture, vehicles, and tapestry, including table covers.
1086 (b)---	Stockings and socks, for men and women (of silk or artificial silk).

Taking into consideration the serious exchange situation faced by Ecuador at the pres-

ent time due to export difficulties and excessive imports, which have resulted in currency depreciation and considerable exports of gold, the Government of the United States has agreed to the above proposal of the Government of Ecuador.

The restrictions adopted by the Ecuadoran Government will be imposed for the first 3 months of the 6-month period in the form of quotas allocated to individual countries in accordance with the percentage of the imports of each restricted article which were supplied during the 4 years 1936-39. In the case of quotas not filled during the first 3 months, the unused portions will be distributed during the second 3 months among those countries which have

filled their quotas during the former period.

As a further measure to bring imports within the country's present exchange availabilities, the Government of Ecuador is also increasing immediately customs duties on a number of items not included in schedule I of the trade agreement with the United States. Such increased duties, however, will not be applied to imports for which export documents have been approved by Ecuadoran consuls prior to or on June 15, 1940.

Details regarding the increased duties as well as the quota restrictions will be made available to interested persons through the Bureau of Foreign and Domestic Commerce, United States Department of Commerce.

Foreign Service of the United States

PERSONNEL CHANGES

[Released to the press June 15]

Changes in the Foreign Service since June 8, 1940:

Alexander V. Dye, of New York, Foreign Service officer designated as commercial attaché at London, England, has been assigned to the Department of State for duty and detailed to the Department of Commerce.

John R. Minter, of North Carolina, now serving in the Department of State, has been designated first secretary of legation at Canberra, Australia.

Gerhard Gade, of Lake Forest, Ill., second secretary of legation and consul at Quito, Ecuador, has been designated second secretary of legation and consul at San Salvador, El Salvador.

Sheldon T. Mills, of Portland, Oreg., now serving in the Department of State, has been designated second secretary of embassy at Santiago, Chile.

R. Borden Reams, of Luthersburg, Pa., consul at Copenhagen, Denmark, has been designated

second secretary of legation at Copenhagen and will serve in dual capacity.

Elbridge Durbrow, of San Francisco, Calif., now serving in the Department of State, has been designated second secretary of embassy at Rome, Italy.

The American consulate at Ensenada, Mexico, is being transferred to Tijuana, Mexico, effective after July 1, 1940. Gerald A. Mokma, of Leighton, Iowa, consul at Ensenada, Mexico, has been assigned as consul at Tijuana, Mexico.

Walter W. Hoffmann, of Santa Barbara, Calif., third secretary of legation and vice consul at San Salvador, El Salvador, has been assigned as vice consul at Hong Kong.

W. Garland Richardson, of Richmond, Va., vice consul at Tokyo, Japan, has been assigned as vice consul at Dairen, Manchuria.

Lampton Berry, of Columbia, Miss., vice consul at Durban, Union of South Africa, has been assigned as vice consul at Calcutta, India.

John C. Pool, of Middletown, Del., vice consul at Hong Kong, has been designated third

secretary of legation and vice consul at La Paz, Bolivia, and will serve in dual capacity.

Herbert P. Fales, of Pasadena, Calif., vice consul at Vienna, Germany, has been assigned as vice consul at Tokyo, Japan.

Norris S. Haselton, of West Orange, N. J., now serving in the Department of State, has been assigned as vice consul at Calcutta, India.

The assignment of B. Miles Hammond, of South Carolina, as vice consul at Naples, Italy, has been canceled. Mr. Hammond has now been assigned as vice consul at Halifax, Nova Scotia.

The officers who have been assigned to the Foreign Service School since March 5, 1940, have now received the following assignments:

Niles W. Bond, of Lexington, Mass., assigned as vice consul at Yokohama, Japan.

William O. Boswell, of New Florence, Pa., assigned as vice consul at Vienna, Germany.

Donald W. Brown, of New York, N. Y., designated third secretary of embassy and vice consul at Bogotá, Colombia, and will serve in dual capacity.

Charles R. Burrows, of Willard, Ohio, designated third secretary of legation and vice consul at La Paz, Bolivia, and will serve in dual capacity.

V. Lansing Collins, 2d, of New York, N. Y., assigned as vice consul at Batavia, Java, Netherlands Indies.

Arthur B. Emmons, 3d, of Dover, Mass., assigned as vice consul at Hankow, China.

Nicholas Feld, of Vicksburg, Miss., assigned as vice consul at Madras, India.

William N. Fraleigh, of Summit, N. J., designated third secretary of legation and vice consul at Athens, Greece, and will serve in dual capacity.

Fulton Freeman, of Pasadena, Calif., assigned as language officer at the Embassy, Peiping, China.

Boies C. Hart, Jr., of Mystic, Conn., assigned as vice consul at Genoa, Italy.

Richard H. Hawkins, Jr., of Pittsburgh, Pa., assigned as vice consul at Brisbane, Australia.

Martin J. Hillenbrand, of Chicago, Ill., designated third secretary of legation and vice

consul at Baghdad, Iraq, and will serve in dual capacity.

Delano McKelvey, of Washington, D. C., assigned as vice consul at Vigo, Spain.

Robert C. Strong, of Beloit, Wis., assigned as vice consul at Durban, Union of South Africa.

Oscar C. Harper, of Texas, vice consul at Ensenada, Mexico, has been appointed vice consul at Tijuana, Mexico.

Alfonso F. Yepis, of Arizona, vice consul at Ensenada, Mexico, has been appointed vice consul at Tijuana, Mexico.

Henry T. Dwyer, of Rhode Island, vice consul at Agua Prieta, Mexico, has been appointed vice consul at Guaymas, Mexico.

James C. Powell, Jr., of El Paso, Tex., vice consul at Guaymas, Mexico, has been appointed vice consul at Mexico City, Mexico.

Robert Jakes, 3d, of Nashville, Tenn., vice consul at St. Pierre-Miquelon, has been appointed vice consul at Bahia, Brazil.

William H. Christensen, of Wilmot, S. Dak., clerk at Winnipeg, Canada, has been appointed vice consul at Barbados, British West Indies.

Publications

DEPARTMENT OF STATE

Special Mexican Claims Commission Under the Act of Congress Approved April 10, 1935: Report to the Secretary of State with decisions showing the reasons for the allowance or disallowance of the claims. Arbitration Series 7. Publication 1445. iv, 712 pp. \$1.25 (cloth).

The Trade Agreements Program: Countries With Which Trade Agreements Are in Effect, and With Which Negotiations Have Been Announced as of April 10, 1940. Map Series 7. Publication 1449. 18½ in. high x 37 in. wide on paper 28 in. x 40 in. 10¢.

Reciprocal Trade: Agreement and Supplementary Exchange of Notes Between the United States of America and Turkey.—Signed at Ankara April 1, 1939; proclaimed April 5, 1939, and effective provisionally May 5, 1939; effective definitively November 20, 1939; supplementary proclamation November 30, 1939. Executive Agreement Series No. 163. Publication 1465. 33 pp. 5¢.

The Reciprocal-Trade-Agreements Program of the United States. Commercial Policy Series 64. Publication 1470. 7 pp.

Diplomatic List, June 1940. Publication 1471. ii, 90 pp. Subscription, \$1 a year; single copy, 10¢.

Treaty Information

Compiled by the Treaty Division

EDUCATION

International Act Concerning Intellectual Cooperation

Egypt—Union of South Africa

The American Ambassador to France transmitted to the Secretary of State with a despatch dated May 27, 1940, a copy of a note dated May 23, 1940, from the Ministry for Foreign Affairs together with its enclosures, mimeographed, certified copies of the procès-verbaux of the deposit of the instruments of ratification by Egypt and the Union of South Africa of the International Act Concerning Intellectual Cooperation signed at Paris on December 3, 1938. The ratification by Egypt was deposited on February 28, 1940, and that of the Union of South Africa on April 30, 1940. (See the *Bulletin* for May 11, 1940, Vol. II, No. 46, p. 511.)

COMMERCE

Trade Agreement With Ecuador (Executive Agreement Series No. 133)

An announcement regarding the imposition by Ecuador of certain restrictions on imports into that country under the provisions of article VII of the trade agreement between the United States and Ecuador, signed August 6, 1938, and effective October 23, 1938, appears in this *Bulletin* under the heading "Commercial Policy."

LABOR

Conventions of the International Labor Conference

On June 14, 1940, the President transmitted to the Congress 4 draft conventions and 10 recommendations adopted by the International Labor Conference at its twenty-fifth session (Geneva, June 8-28, 1939). The message from the President to the Congress is quoted below:

"To the Congress of the United States of America:

"The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization, I accepted such membership on behalf of the Government of the United States.

"Representatives of this Government and of American employers and American labor attended the twenty-fifth session of the International Labor Conference, held at Geneva, June 8 to 28, 1939. That Conference adopted 4 draft conventions and 10 recommendations, to wit:

"The recommendation (No. 57) concerning vocational training;

"The draft convention (No. 64) concerning the regulation of written contracts of employment of indigenous workers;

"The recommendation (No. 58) concerning the maximum length of written contracts of employment of indigenous workers;

"The draft convention (No. 65) concerning penal sanctions for breaches of contracts of employment by indigenous workers;

"The recommendation (No. 59) concerning labor inspectorates for indigenous workers;

"The recommendation (No. 60) concerning apprenticeship;

"The draft convention (No. 66) concerning the recruitment, placing, and conditions of labor of migrants for employment;

"The recommendation (No. 61) concerning the recruitment, placing, and conditions of labor of migrants for employment;

"The recommendation (No. 62) concerning cooperation between states relating to the recruitment, placing, and conditions of labor of migrants for employment;

"The draft convention (No. 67) concerning the regulation of hours of work and rest periods in road transport;

"The recommendation (No. 63) concerning individual control books in road transport;

"The recommendation (No. 64) concerning the regulation of night work in road transport;

"The recommendation (No. 65) concerning the methods of regulating hours of work in road transport;

"The recommendation (No. 66) concerning rest periods of professional drivers of private vehicles.

"In becoming a member of the International Labor Organization, pursuant to a joint resolution of the Congress approved June 19, 1934, this Government assumed the following undertaking in regard to such draft conventions and recommendations:

"Each of the members undertakes that it will within the period of 1 year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of 1 year, then at the earliest practicable moment and in no case later than 18 months from the closing of the session of the conference, bring the recommendation or draft convention before the authority or authorities within whose competence the matter lies for the enactment of legislation or other action (art. 19 (405), par. 5, Constitution of the International Labor Organization).

"In the case of a federal state, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the

discretion of that government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case (art. 19 (405), par. 9, Constitution of the International Labor Organization).'

"In accordance with the foregoing undertaking, the above-named 4 draft conventions and 10 recommendations are herewith submitted to the Congress with the accompanying report of the Secretary of State and its enclosures, to which the attention of the Congress is invited.

FRANKLIN D. ROOSEVELT.

"THE WHITE HOUSE,
June 14, 1940."

Legislation

Supplemental Estimate of Appropriation, State Department, 1941: Communication from the President of the United States transmitting a supplemental estimate of appropriation for the Department of State, for the fiscal year 1941, amounting to \$7,500 [International Joint Commission, United States and Great Britain]. (H. Doc. 815, 76th Cong., 3d sess.) 2 pp. 5¢.

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